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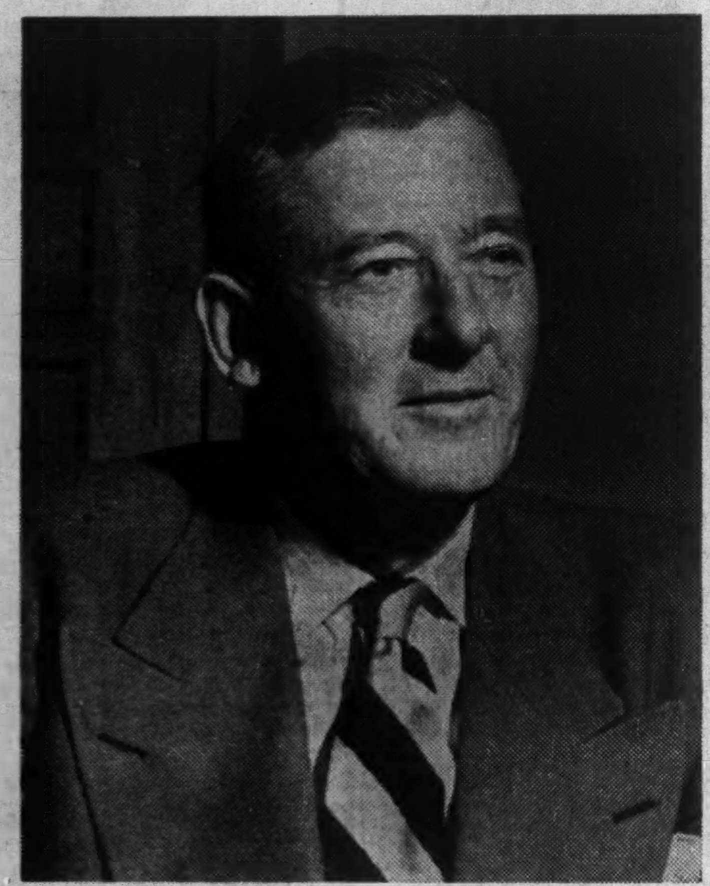

Ronald C. Rowe this week was elected president of the Periodical Press Association, whose 121 member publications in the magazine, business, and agricultural fields have a combined circulation of 3¼ million. As a 20-year-old mining engineer, English-born Mr. Rowe came to Canada in 1910 to manage a variety of mining properties; later became assistant editor of the Canadian Mining Journal. When that publication entered National Business Publications Ltd., Gardenvale, Que., in 1929, he became editor—a position he still holds; in 1946 was named president of the firm.

THE NATION'S BUSINESS

Britain Now Reaps The Whirlwind

For three weeks, Britain's "trade minister" Harold Wilson has been in Canada. He has been talking with officials and businessmen, probing the possibilities of selling more British goods in Canada.

The more Britons know about our market, the better.

But what will this spate of investigation bring forth?

Harold Wilson says he's going home to exhort British manufacturers to sell more in Canada. There's been much exhortation already.

There are indications that British officials are seeking some scheme of incentives to industries which successfully invade dollar markets, whether by tax concessions, preferential exchange rates or some other way.

A further plan in Mr. Wilson's mind is "discrimination." He said: "Many British manufacturers are already content to sell here at a far lower margin of profit than in other markets. (They are) actively discriminating, as the Government proposes to discriminate, in favor of these important North American markets".

Discrimination raises difficult problems both at home and abroad. An export drive based on industry's willingness to seek out the most difficult and least rewarding markets is neither secure nor sound, unless on a very temporary basis. Internationally, discrimination is just another diversion of world trade away from natural economic channels. It is precisely the kind of government intervention which the "Geneva" trade agreement is designed to preclude.

But after all the fine sentiments about more trade are expressed, and after all the economic lectures have been delivered, a few hard facts remain.

Neither the short nor the longer term problem of Britain's dollar earnings is going to be solved simply or promptly.

The Causes Are Deep Rooted

Its causes are too deep rooted.

Britain's Socialist government is trying to perform the miracle of making progress by driving the two horses of the productive team in opposite directions.

For capital, it offers a myriad of regimentations and orders. The threat constantly overhanging British business is more orders and laws, and if that doesn't work, then nationalization. How, in sober moments, do the British Socialists actually believe that businessmen under those circumstances are going to put the necessary sweat and toil into their jobs, to do the fierce and intense work needed for inspired designing and aggressive programming, to invest their own and other people's savings in the new machinery and equipment which so much of British industry needs to compete in North America?

The men of Whitehall can exhort till they're hoarse, but at the same time, they keep cutting down the horsepower of their economic machinery.

And for the other element in production, labor, the Socialists are reaping the harvest of their half century of indoctrination that the way to the millennium is less work and more pay.

As the London Economist observes:

> "Labor costs are by a wide margin the largest element in total costs of production, and though it may still be reasonable to say that wages need not come down, it is absolutely essential that labor costs should come down if the British economy is not to strangle itself in its own costs of production. The only way in which costs can be cut without cutting wages is by increased productivity."

No amount of sobbing about Britain's tribulations, no amount of sentimental well-wishing for the Mother Country, no trick schemes like currency revaluations, can overcome the fact that the enslavement of a community's men of enterprise and the indoctrination of a people with the gospel of more pay for less work is not the path to progress or security.

• • •

One Or Two Too Many

Canadian Communists under the guise of the Labor-Progressive banner are sure they can elect one member to Ottawa on June 27 and possibly two. They are concentrating on the two industrial seats of Trinity (Toronto), Cartier (Montreal). Following the tested technique of the CCF, the Red workers are out ringing doorbells and signing up promised votes.

Now one or even two Communists in the next Parliament may not sound very impressive. Out of 262 seats that would amount to well under 1%. But Communist influence and power has always been far out of proportion to its numerical strength.

If the voters of Trinity or Cartier are foolish enough to let an avowed Red candidate be elected it will be hailed here and in Moscow as a tremendous Communist victory. Moreover, it will give that foreign-controlled and anti-Canadian party a sounding board in the House of Commons for all sorts of time wasting nonsense and worse. With a federal member or two to head up its existing representation in provincial legislatures and municipal councils, the Communists could and would claim the status of a national party and enjoy the privileges of a party.

That would be a danger and a disgrace. Voters in the ridings assailed by the Communist campaign should make sure their ballot is used effectively for their defeat.

Parliament has enough trouble in getting work done now without the further handicap of people whose sole assignment is sabotage of the national interest.

Deal In BWI Sugar Key to UK Trade

Ottawa Contract May Open Way For Trade Increase Between Dollar and Sterling Areas; Break Down Economic Picket Fences

OTTAWA (Staff) — Expectation that Canada is to procure 75% to 80% of her 1949-50 sugar from B.W.I. sources is looked on here as something of highest importance in the world-wide conflict between dollar and non-dollar currencies.

If the deal recently negotiated here with Sir William Rook (U.K. sugar administrator) is confirmed, Canada will get a firm commitment for 300,000 to 325,000 long tons of new crop sugar at something better than world price (after adjustment for the Canadian preference tariff).

As well, we will get a further option on up to 100,000 tons on the same price basis.

Total dollar value of the deal would amount to something under $4.5 millions.

Importance of this deal is that it indicates a willingness of British authorities, who control allocation of B.W.I. sugar, to do business on a world price basis. It heads off, for the time being and perhaps indefinitely, fears that have held here that a long term fixed-price deal would be negotiated between Britain and the colonial producers.

Had such a deal been negotiated, covering capital investment, say over a ten-year period, the chances of Canada obtaining B.W.I. sugar on a price competitive with world sugar might have been jeopardized.

Last Year of Agreement

The 1949-50 arrangement is the last which Canada will negotiate under its five-year agreement with the U.K. This is the last year of the agreement and it has been understood for some time that at the end of 1949, the government would retire completely as a single monopoly buyer for the Canadian trade.

What will happen if the deal is confirmed is that 1949-50 supplies will move into trade channels during the year at the agreed price, reported to be between $4.60 and $4.70 per cwt.

Successful negotiation of the sugar deal means that Canada will be able, in effect, to "pay her club dues" as a leading participant in B.W.I. trade.

Last year, the most sugar we were able to obtain from B.W.I. was something less than 250,000 tons. Total Canadian requirements are presently 630,000 tons of which roughly 100,000 tons is supplied by domestic beet production.

Wider Implications

But this deal has even wider implications.

For some months a special effort has been made by U.K.-Canada experts to find ways and means of increasing sterling area sales of raw materials to Canada.

If approved as now proposed, it will be followed by other negotiations and projects covering a very wide range of items in which Canada is vitally interested.

Success in achieving the sugar and similar deals is looked on here as one of the first and most important methods by which direct Canada-U.K. negotiations can break through the "picket fence" of high costs and discriminatory licences, etc. which now surround the non-dollar area.

U. S. Capital In Plants Here At New Record

OTTAWA (Staff) — Book value of American branch plants in Canada has risen $400 millions since the war to record total of $2.7 billions.

The new figure represents estimated investment at the end of 1948. This is a highlight figure of an important new study on "U. S. Direct Investment in Canada" published this week by the Dominion Bureau of Statistics.

The new figure is over 40% higher than the corresponding total at the end of 1939. At that time, value of U. S. direct investment in Canada was placed at $1,881 millions. The previous peak was $1,993 millions in 1930.

A breakdown of the total for 1947 by types of industry shows nearly 60% of the investment to be in manufacturing plant—an increase in this particular group since 1939 of $500 millions or 50% since 1939.

The Bureau in its study, prepared by C. D. Blyth, chief of the International Payments section, reports at the end of 1946 there were 2,015 Canadian concerns controlled in the U. S. A. Of these, 389 were unincorporated branches and 1,626 were subsidiary or controlled concerns. Included in the latter figure were 232 wholly owned subsidiaries of Canadian companies. The breakdown of subsidiary or controlled companies shows 915 in manufacturing, 342 in merchandising, 73 mining, 92 utilities and 73 financial.

In the aggregate, it is reported that the larger U. S.-controlled companies constitute 30% of the total capital invested in Canadian manufacturing. They represent about 20% of the total value of all Canadian manufacturing production.

PRICES

Declining raw material prices have yet to show up clearly in Canadian prices for finished goods. With supplies still limited here in many lines and demand holding up well, prices are remaining firm despite lower material costs—particularly if they come from the U. S., such as, cotton or semi-fabricated metals. This is in marked contrast with the U. S. where an 8% decline in prices of manufactured goods is attributed to consumer resistance rather than to any marked drop in production costs.

Basic products such as wire, copper and brass sheets, soldering coppers, galvanized pipe and wire, have come down here following lower prices for primary metals; but consumer durables—stoves, refrigerators, washing machines—show no change as yet.

Non-ferrous metals dropped further during the week.

Zinc was cut 1c to 11c lb., first cut since ½c reduction to 12c on May 9. Latest cut followed report that it will not be included as a strategic metal to be purchased for federal stockpile in fiscal year beginning July 1. Canadian price cut ¾c to 11c by Consolidated Mining and Smelting.

Lead was cut twice in a week bringing it to 12c lb. N.Y. Total drop from postwar peak is 9½c. This is still more than double 1939. Continuing weakness was attributed to lack of buying — particularly by storage battery makers who normally account for about one-third of all lead buying. Canadian price reduced to 11¾c, representing a decline of 43% from postwar high.

Copper price was shaved ⅜c lb. by a large U. S. custom smelter who was awarded U. S. Mint contract. Export sales also reported at the 17 5/8c price although no official price changes announced by major copper sellers. Current price still about 60% above prewar.

Auto prices are in the limelight again with speculation in evidence as to whether G.M.'s most recent cut will touch off another round of cuts similar to those following its February reduction, when all but Chrysler and Studebaker followed. Chrysler's new short wheelbase Plymouth soon to go into production is thought by some to herald lower prices for Chrysler products.

Is It the Bulls or Bears Who Are Guessing Right?

By JAMES H. JOYCE

After this week's market break—the worst since July of last year—jittery traders were all asking the same question: Where do we go from here?

No one was ready to go on a limb with an answer. The market was in the grip of a pessimistic mood. Too many traders saw only business recession ahead.

On Tuesday, the Dow-Jones industrial average closed at 168.36—a drop of 3.17 points on the day. Following the slow decline of the past couple of weeks, which left the average at 171.53 at the close the previous Friday (NYSE was closed Monday), it took the market well through one so-called bottom of 171.10. It was the sharpest break since July, 1948, and, according to some Dow theorists, will now mean another testing of the October 1946 low of 163.12.

Canadian stock markets, which had been weak on Monday, dropped sharply on Tuesday with the Toronto Stock Exchange's industrial index closing at 160.03 for a loss of 4.43 points on the day.

Also disturbing was the marked increase in trading volume in the Canadian and New York markets—up over 50% on Tuesday. It was described as nothing chaotic but "just pretty steady selling all day." Some fear, however, that investors may get so scared they will dump securities, which could knock the market badly.

Analysts differ markedly on their interpretation of the current market action. One group remains convinced that the markets, after a shake-down, will resume their upward trend later this year. They point out that so far it is more lack of buyers rather than heavy selling which is causing the drop and that covering by the large short interest will eventually act as a cushion for the decline. Some started buying programs on a scale downward and point out that the best buying opportunities occur when the general opinion is most pessimistic. By all traditional tests of stock value, the market even before "the break" was riddled with unusual bargains.

On the other side, however, there is a bearish group who see stocks selling lower. Many of

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How Many Will Vote Red?

Commies Concentrate on Electing Tim Buck

BY RONALD WILLIAMS

This country's Communists are working today as they have never worked before in all the party's 27 years in Canada.

The objective, to elect Tim Buck, their national leader, to Parliament, June 27. He is running in Toronto-Trinity, now held by Conservative Larry Skey.

The Reds have nominated 17 candidates against 67 in 1945; but Trinity is the only one that really counts. To quote a party directive, this is their "national concentration job."

Trinity is the only riding they are contesting in Toronto and district. Last time, they fought all 11. In Montreal, it's Cartier. Next to Trinity, this had Communist priority, then Winnipeg North.

Last election they polled 105,000 votes all across Canada.

This time the Commies are putting all their Red eggs in fewer baskets. Last election, their 67 candidates polled 105,000 votes, and elected one—Fred Rose, now serving six years for espionage.

With the election but three weeks away, Buck's chances of winning look rosy Red. That's the considered view of political observers of all shades inside and outside the riding.

"I am afraid Buck might just make it unless a counter-campaign is started right away," The Post was told by an observer close to Communist party activity. "They are putting on the greatest campaign I have ever seen."

The reason for this intense concentration on Trinity may be obscure to those unfamiliar with Communist manoeuvring. Generally, the idea of one or perhaps two Communists in Parliament doesn't arouse any great alarm. In fact, many people think they'd serve to keep the others on their toes. Cagily, the local comrades cultivate this dangerous notion, thus attracting a lot of protest votes.

But the Commies are fully aware of the importance of Buck's election. Nationally, it would give party organization a tremendous impetus and perhaps enable them to regain some of the ground lost since the end of war. But more important is the propaganda value internationally. Buck's election would rate Page 1 in Moscow's Pravda and every other Communist newspaper throughout the world. It would be presented to the faithful as a positive sign that the revolution is well under way in Canada.

No better concentration point could have been chosen than Trinity. Situated right in the heart of Toronto, it takes in all nationalities and represents a cross-section of society from poor to rich. It takes in a highly industrialized area including the big Massey-Harris plant with its Communist-controlled CIO Auto Worker's union of 4,000. Here too are concentrated some of the most powerful foreign language groups, some of which have a direct affiliation with the Communist party.

If any part of Canada could be called the heart of Canadian Communism, Trinity and adjoining Spadina riding could. This is the area which sends two Communists to the Ontario legislature; two to Toronto's City Council and three to its Board of Education.

In the past it has been tradi-

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CPR Hits At 'Political Tribunal Trial'

MONTREAL (Staff) — Canadian Pacific Railway Co. last week criticized parliamentary and Cabinet interference on matters which it claimed, under the Railway Act should be dealt with by the Board of Transport Commissioners.

Pointing out that Parliament has the power to legislate when legislation becomes necessary, CPR contended that at the same time it was extremely important that neither Parliament nor the Governor-in-Council should provide the arenas in which questions primarily for the administrative tribunal are argued and disposed of.

This opinion was included in a 42-page outline of the company's submission to the Royal Commission on Transportation.

Admitting the necessity of regulation of public utilities, including railways, the company argued that if regulation is carried too far and, above all, if the problem is allowed to become hedged around with political controversy and subject to political solutions, private enterprise cannot perform its function and must inevitably give way to socialization of the enterprise.

Oppose Political Tribunal

Further, the railway contended, regulation should be performed by a tribunal, administrative in character, which was "free from the stultifying effect of having its decisions subject to review and appeal by a political tribunal."

Regarding setting of rates for the railways, the brief urged that this be done on a national rather than a local or regional basis.

Transportation subsidies should not be granted, as a matter of principle, because they encourage uneconomic use of transportation services, nor should railways operate at uneconomical rates merely to create artificial growth in areas where for geographical reasons, certain industries are unsuited, CPR stated.

Fixing of all freight rates should be within the jurisdiction of the Board of Transport Commissioners, the brief stressed.

Company stated that it will submit at the Commission's hearings that under the terms of the Order-in-Council by which it was set up, the Royal Commission must restrict itself to proposals for new or amending legislation, and cannot go into matters referred by the federal cabinet last year to the Board of Transport Commissioners concerning the 21% freight rate increase and the Board's investigation into the whole freight rate structure.

Will U. K. 'Bonus' Dollar To Increase Sales Here?

By KENNETH R. WILSON

OTTAWA (Staff) — Crisis points in the pattern of Canada's 1949 foreign trade are now beginning to emerge, following the visit of Rt. Hon. Harold Wilson, President of the U. K. Board of Trade.

Speaking to the Periodical Press Association in Toronto, Mr. Wilson bluntly termed 1949 as this year of crisis for Anglo-Canadian trade. He stressed the fact that for the United Kingdom it was no longer "production" that counted but "costs"; that Britain's job was to sell in Canada "the goods you want in the quality and style and designs you want at the competitive price."

These matters, said the No. 1 trade authority in the Socialist U. K. Government, were the crux of U. K. earning power in Canada, plus larger shipments of primary products from colonial and overseas areas and increased earnings from shipping, insurance and other "invisibles."

It's not doubted here that the Wilson visit has been useful, that the Trade Board boss will return to Britain eager and prepared to exhort manufacturers to greater efforts at competitive selling.

Need Answers to These

But the questions still unanswered here are these:

(1) How successful will these efforts be, short of specific incentives to divert sales to dollar areas? and

(2) What incentives can the British impose or devise short of the eventual climactic use of currency devaluation?

One answer to the first question is that private business in Britain may be driven to divert goods to dollar markets like Canada if only to avoid the further clutches of a Socialist and tape-ridden bureaucracy.

How effective this particular compulsion will be, remains to be seen.

It will need to be very powerful, according to views expressed here, if it is to overcome the fact that thousands of British manufacturers are still undoubtedly finding business very profitable and active on a "pounds, shilling and pence" basis. They still find plenty of outlet for their production in sterling or nondollar markets, at higher prices and at a higher margin of profit than they can obtain in dollar countries.

Various possible approaches

(Continued on page 3, col. 4)

CNR Pushes Study Of Unified Control

Brief Will Ask Royal Commission Examine Control Problem in National Transportation Policy—Also Aim at Highway Transport Men

By HOWARD GAMBLE

MONTREAL (Staff)—Does it mean complete nationalization? That is what many persons are asking after reading the Canadian National Railway brief presented to the Royal Commission on Transportation. One observer pointed out to The Financial Post: "This is the closest thing to nationalized transportation yet."

Key statement in the CNR brief is that which states that the government-owned company will urge the commission "that consideration should be given to determine whether it is essential in a national transportation policy that all forms of transportation be under a unified control."

A second point hits hard at highway transport operators. It says: "That notwithstanding the present division of authority between the Federal and provincial governments, it would be beneficial to control competing services from the standpoint of national public convenience and necessity."

Motor transport operators have for long held out in favor of provincial control of highway trucking matters. And it was this factor which created some misgivings among transport men when Canadian Pacific entered the highway transport business in Western Canada.

See Political Factors

It is argued in some quarters here that the CNR argument in favor of unified control of all transportation is tantamount to nationalization of all services. This is so, it is claimed, because under such a system the same political factors would be present as now exist with respect to railway freight rates. Unless a system could be devised which would entirely divorce government from the ruling transportation body (such as doing away with appeals to the Cabinet from Board of Transport Commissioners rulings) the net result would be government control, it is said.

Other points urged by CNR were:

(a) Railways should have a scale of rates to give them a fair return on prudently invested capital; apportion transportation charges equitably; enable railways to perform transportation services which they can do best.

(b) The "agreed charge" provisions of the Transport Act should be amended to make the agreed charge more effective in giving railways traffic which they can carry more economically than competing forms of transportation.

With respect to its own operations, CNR says its capital structure is unsatisfactory. Fixed charges are excessive in relation to the earning power of the railway or when compared to those of other major railways.

Claim Adjustment Needed

Total capital of CN does not need to be reduced, but an adjustment is required between the portion of total capital represented by interest charge debt and that represented by equity capital, the company said.

Financial difficulties also arise from the operation of lines which cannot bear fixed charges. This places an excessive burden on the money-making lines. And CN operates under a tariff of rates which is not primarily related to CN requirements. There is at present an imbalance between the level of rates and tolls and the level of expenses of operation.

CN says there are many instances of thin-traffic lines which

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Inside News

This Greater Canada
What does the 10th province mean to Canada? What new wealth, industries, people does Newfoundland bring to the Dominion? The Post's Report on Newfoundland gives the statistical picture, with special articles (pages 25-40).

Quebec Labor and Church
Because of the widespread public interest in the relationship of some Roman Catholic clergy with the strike at Asbestos, The Post presents the results of a close examination of present church policy on social problems in Quebec (p. 13).

How's Your Charity Giving?
Who gives to charity and how much? What's the contribution of your company, your employees? How is Canada's $80 millions charity revenue made up? The Canadian Welfare Council has made a detailed study based on taxation returns (p. 7).

How to Retire Happy
How to keep healthily and happily occupied after retirement is a puzzle for many people. What specific suggestion would you make to those about to retire? Post readers give their suggestions. The Question (p. 9).

The Advertising Business
Initiative and ideas are the principal ingredients of the advertising business, underscore heavily the requirements of those who would succeed in this field. Advertising as a career—the 15th in The Post series designed to help young Canadians—and their parents—decide the all-important question of their future (p. 14).

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Pace of Business

Department store sales for week ended May 21 were 7% above a year ago with all provinces showing gains; Alberta up most, 14%. Sales for April totaled $75 millions against $65 millions in April, 1948. Cumulative sales for March and April showed an increase of 11% over 1948.

Department store inventories at April 1 were 14% higher in selling value than a year ago. Household appliances were up 36%; women's apparel stocks 35%; food stocks off 36%.

Wholesale prices showed further slight decline in April, continuing downtrend seen in first quarter. Index (1926=100) for April was 157.5 compared with 157.6 in March and the December peak of 159.6; was 5.8% above 148.9 for April, 1948.

Employment index, all industries (1926=100) was 187.6 at April 1, down slightly from 188.8 at March 1, but up from 186.6 a year ago.

Canadian labor force was estimated at 4,899,000 at March 5 compared with 4,825,000 a year ago. Estimated number of persons employed was 4,700,000, up 31,000 from last year.

Carloadings for week ended May 21 totaled 73,521 cars compared with 74,104 in the previous week and 76,683 a year ago.

Sales and purchases of securities between Canada and other countries in March resulted in net sales of $0.8 millions against net purchases of $1.2 millions in Feb. Sales increased $3.2 millions and purchases $1.2 millions from previous month. First quarter sales and purchases were in balance while 1948 first quarter showed net purchase balance of $5 millions. Total volume for first quarter was $88.8 millions against $95.2 millions in 1948.

Steel ingot production in April: 260,300 tons, somewhat below March record of 287,900 tons but up from 254,300 last year.

Copper production in March: 21,900 tons, compared with 21,500 in February and 21,100 in March, 1948.

Nickel production totaled 12,600 tons in March, up from 10,900 in February and 10,500 a year ago.

Non-ferrous scrap metal stocks held by ingot makers at end of February amounted to 4.4 million lbs. up sharply from 2.9 million at end of January.

Asphalt floor tiles produced in April totaled 1,065,398 sq. ft. compared with 1,216,077 in March and 1,629,770 in April, 1948.

Nail production in March: 7,500 tons against 6,500 in Feb. and 7,500 a year ago.

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Debentures Sold By Can. Packers

Canada Packers Ltd. has sold privately $4 million of new unsecured debentures, The Financial Post learns. The additional debentures are dated Oct. 15, 1948, and consist of $1 million of 2¾%'s due Oct. 15, 1951; $1 million of 2⅞'s due Oct. 15, 1952, and $2 million of 3%'s due Oct. 15, 1953.

Proceeds were to refund $2 million of 2% debentures due Oct. 15, 1948 and to provide additional working capital.

Total funded debt now amounts to $7 million.

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We Have Better Newsprint But U.S. Puts Tariff on It

MONTREAL (Staff) — Those big week-end and Sunday papers are putting extra money in the till for many Canadian newsprint makers.

The reason? It's not just the size.

Sunday papers want a better quality newsprint and are paying from $10 to $25 a ton premium for it. Many publishers are using high-grade newsprint in their rotogravure sections. Basically this paper is the same as the dailies use but it gets a better finish, contains a little more clay, has more body.

Known in the trade as super standard newsprint, there are several types. Each mill has its own little manufacturing trick to meet the requirements of its customers.

While most of Canada's largest mills now make some of the superstandard grade, the total output still does not represent a large percentage of total Canadian production. But newsprint men say demand for the higher grade seems to be increasing.

Sunday Papers Boom

Sunday and week-end papers are becoming increasingly important newsprint consumers; are increasingly important in the whole newsprint market. From 1945 to 1948, Sunday papers in United States have increased their circulation by 16% while dailies rose only about 8%.

The increase in the number of pages printed has been about the same for both dailies and week-end papers. Sunday papers last year increased their advertising linage 12.42% which was more than either morning and evening dailies.

So far, most of the demand for the premium grade newsprint has come from the Sunday papers, but paper makers think the dailies will soon be demanding more of the better grade.

Since the war, daily papers have been in no position to demand much; have been thankful to get any kind of newsprint. Now, however, publishers are breathing a little easier and feel they can now look for quality as well as quantity.

Competition and high costs are also forcing publishers to look to their newsprint requirements. Colored pages for sales appeal in special editions are coming back. Competition for the advertising dollar is causing some to look for news grades which give better reproduction.

Canadian Producers

Abitibi Power & Paper Co. is now producing a super-calendered newsprint. Consolidated Paper Corp., Price Bros., St. Lawrence Paper Mills and others all have various grades of super standard news grade paper.

About the only thing to stand in the way of higher grade newsprint for U. S. publishers is the U. S. Treasury Department rulings on what constitutes "standard newsprint." Standard newsprint is the only grade of Canadian paper which can enter United States duty free.

The history of so-called "standard newsprint" is long, rocky and strewn with many test cases. Originally U. S. authorities said that newsprint was any kind of paper that publishers wished to use. Then the definitions started creeping in, until U. S. Treasury rulings pinned standard newsprint down to exact weight, width of rolls, percentage of groundwood and sulphite pulp, type of finish, ash content, color and degree of sizing.

In recent years, publishers appear to have reversed the trend to some extent; have gradually been able to get officials to give a broader definition. Back in 1930, the ruling was that newsprint should not contain more than 2% ash (residue after burning). Now this has been changed to not more than 6½% ash, which permits a greater clay content. Clay in newsprint gives it more body, permits a better finish.

How It's Measured

According to Treasury specifications, newsprint finish is tested by an Ingersoll glarimeter, a machine to measure the gloss. Few manufacturers have ever seen this piece of equipment and it is said to be far from accurate.

What actually happens is that newsprint manufacturers make their own laboratory tests. Technically, however, U. S. customs men are still within the ruling if they drag out the Ingersoll glarimeter to test the gloss of newsprint going through, and if it measured more than 50% it could be turned back. With newsprint still not too plentiful, chances are the customer would be breathing hard down the necks of Washington officials, if this happened.

U. S. publishers are strong advocates of higher grade newsprint and the increase in the circulation of the Sunday papers has strengthened the demand for a broader interpretation of newsprint paper. Canadian newsprint manufacturers are ready to deliver whatever product the customer wants. Only customs duties can keep it out.

To Hold Meetings On Reorganization York-Adelaide Co.

Meetings of holders of securities of York-Adelaide Realty Co. have been called by court order for July 25 to consider a plan of reorganization. The plan represents a compromise arrangement worked out between the management and Kamm, Garland & Co., Toronto investment firm, representing a group of first mortgage bondholders.

Terms of the arrangement are briefly as follows:

(1) President Alex Wilson, who owns or controls $200,000 of the outstanding $400,000 7% first mortgage sinking fund bonds, will accept the piece of property on which is operated the Royal York Hotel parking lot for his bonds which will be cancelled.

(2) Holders of the remaining $200,000 7% first mortgage bonds will receive, par for par, new 4½% first mortgage bonds dated March 1, 1949 and due March 1, 1959.

(3) Holders of the outstanding $126,000 6½% refunding and general mortgage bonds (of which $34,000 were held by the company at Dec. 31, 1947) will receive one share of common stock for every $100 bonds.

(4) Capital stock will remain unchanged but the amount outstanding will be increased in accordance with point (3).

Population Now 13.5 Million

OTTAWA (Staff)—It now looks as if the population of ten-province Canada will have crossed the 13.5 million mark when the Government makes its official mid-year estimate in a few weeks.

Last year, the official DBS mid-year estimate at June 1 was 12,883,000. This was exclusive, of course, of Newfoundland. It represented a jump of over 300,000 from a year before.

With even heavier immigration in the past twelve months, it's quite certain that June 1, 1949 figure will show at least another increase of 300,000. If to this is added an estimate of 330,000 for Newfoundland the resulting figure will top the 13,500,000 for the first time in history.

The official annual estimate will not be available until sometime in July. The Government in making its annual calculation waits for the June 1 "sample" of the size and disposition of the labor force. From these figures it gets confirmation as to the movement of Canadians from province to province.

Brisk Start For Trade Fair; Third Show Seems Assured

Business was getting off to a brisk start at midweek at Canada's second International Trade Fair. The fair opened Monday in Toronto's Canadian National Exhibition park, had by then attracted 12,000 business visitors from 34 countries. (Total attendance last year was 35,000).

Of these visitors, an estimated 75% were Canadians, another 10-15% came from 17 of the States, the rest came from U. K., 15 European countries, four Latin American countries, B. W. I., other Dominions.

And there were already impressive success stories to tell, long-term implications and wide-spread business interest to record.

Items:

—There was little doubt there would be a third Canadian International Trade Fair. By midweek roughly one fifth of available exhibiting space had been applied for—and by firms not exhibiting at this year's fair.

—Two exhibition cities in U. S., Detroit and Atlantic City, were speeding plans originally calling for staging of Fairs in both cities by 1951. Atlantic City had sent a delegation to visit the Fair, its members were thinking definitely in terms of end of March, beginning of April, as dates for their section of what both Canadian and American trade and commerce administration authorities are hoping will become part of a North American circuit of trade fairs.

—A British textile exhibitor who had built a backlog of corduroy cloth to take care of orders he had hoped to book at the Fair put up a virtual sold-out sign before he even opened up his booth: on a Montreal-Winnipeg pre-Fair tour he had sold his entire stock worth $465,000.

—A British cycle manufacturer is so impressed with possibilities in the Canadian and U. S. markets—judging by the orders he has received—he has plans to establish a factory in Ontario.

—An Italian art furniture manufacturer sold his entire stock before he could even get it out of bond—on the strength of a few advance samples scattered around the barest-looking booth in his section.

—A British rainwear company chalked up $65,000 of business the first day.

—A group of U. S. advertising, management and financial interests, attracted by the Fair is investigating new possibilities for promoting the flow of capital from U. S. to Canada and other Commonwealth countries toward establishment of new industries, new branch plants.

To the trade association executive, to the newspaperman, the advertising agency executive and all important in the marketing set-up it was obvious when the Fair was but a day old that exhibitors were exerting every effort at the Fair. The social calendar for two weeks ahead was full of cocktail parties, press conferences, special demonstrations.

The Fair continues till June 10, is open every day (except Sunday) from 9 a.m. till 6 p.m. (except on Saturday, June 4 and Wednesday, June 15, when the public is admitted and booths remain open until 9 p.m.).

Exhibits are found in 20 different trade classifications, in the Coliseum, Automotive, Radio and Electrical Buildings, represent the products of 36 different nations, cover 200,000 sq. ft. of floor space.

Admission, for business visitors is by business card. On public days, the public is admitted at a charge of 50c.

ANNOUNCING

Important Appointments in Canadian Industry, Finance, Business and Government

B. C. Mortgage & Trust Companies Association — G. O. Vale (Vancouver), president.

Butler Metal Products Ltd. (Preston, Ont.) — H. W. Maxwell, J. O. Maxwell, directors.

Burns Bros. & Denton Ltd. (Toronto) — W. Allan Dyment (a director), vice-president.

Brand & Millen Ltd. (Long Branch, Ont.)—I. M. Leslie, a director; H. G. Fisher, chief purchasing agent.

Chemical Institute of Canada — Dr. E. W. R. Stacie (Ottawa), president; Dr. A. Stanley Cook (Montreal), board chairman.

Canadian Psychological Association — Dr. C. R. Myers (Toronto), president; Dr. R. Vinette (Montreal), president Quebec association.

Canadian General Electric Co. (Toronto)—G. H. Gillett, manager apparatus division Montreal district office.

Canadian Shipbuilding & Ship Repairing Association—R. B. Thomson (Lauzon, Que.), T. R. McLagan (Montreal), R. C. Burdick (North Vancouver), vice-presidents.

Canada Foils Ltd. (Toronto) — Frank W. Young, president and general manager.

Cockshutt Plow Co.—E. F. Carter, general sales manager.

Canadian National Railways (Montreal) — W. D. Piggott, supervisor of electrical equipment, mechanical dept. (including Diesel-electric locomotive repair).

Dominion Govt. (Ottawa)—H. O. Moran, assistant undersecretary for external affairs.

Great American insurance group (Toronto) — George E. Howe, assistant manager.

G. W. Robinson Co. (Hamilton, Ont.) — Peter Gordon, treasurer.

Institute of Internal Auditors Inc.—E. Paterson, Toronto chapter president; W. I. Markle, chapter vice-president.

Jeffrey Manufacturing Co. (Toronto) — Charles W. Rudge, president; Clarence E. Cornell (sales), a director and vice-president; Nelson H. Ross (manufacturing), vice-president; Ernest N. Bigney, a director and secretary-treasurer.

Junior Investment Dealers Association of Canada—Walter G. Pavey, Montreal branch president; Peter Dixon, branch vice-president.

Mersey Paper Co. (Brooklyn, N.S.)—B. J. Waters, president and general manager.

Meredith, Simmons & Co. (Toronto)—Arthur B. Meredith, board chairman.

Men's Hat Research Foundation of Canada—J. R. Crean (Toronto), president; Harold Farber (Toronto), vice-president.

McKim Advertising Ltd. — Carl D. Dennis, Jr., a vice-president, at Montreal.

Nova Scotia Light & Power Co. (Halifax)—Norman T. Smith, manager.

New Brunswick Govt. (Fredericton)—Dr. O. V. B. Miller, Education dept. director of school services.

Nova Scotia Supreme Court—Rt. Hon. J. L. Ilsley, a judge.

National General Insurance Co.—Dr. T. H. Hogg, a director.

Ontario Society of Industrial & Cost Accountants — J. B. Tennant (Windsor), president; R. H. Metcalfe (Toronto), J. F. Benson (Perth), vice-presidents.

Ontario Industrial Advertisers Association — Wesley W. McGregor (Toronto), president.

Ontario Trust Cos. Association — J. Allyn Taylor, president.

Pepsi-Cola Co. of Canada (Montreal) — C. Dudley Reburn, manager new Toronto plant.

Smoke Prevention Association of America — Louis J. Cudbird (Toronto), president.

Toronto Transportation Commission—W. E. P. Duncan, operational manager; A. H. Foster, assistant manager of operations; J. G. Inglis, assistant manager of equipment; W. F. Irvin, director of development & research; W. H. Paterson, chief engineer; W. H. C. Seeley, director of industrial relations; W. E. Ewens, research engineer; H. E. King, director of personnel.

Toronto, Hamilton & Buffalo Railway Co. — John J. Brinkworth (Chicago), a director.

Turnbull Elevator Co. (Toronto)—Merrill C. Stafford, general manager.

University of Western Ontario (London) — Dr. Robert L. Noble, head of dept. of physiology.

Yorkshire & Pacific Securities Ltd. (Victoria, B.C.) — James D. Munro, manager investment securities dept.

Canadian Pacific Railway Co. announces the retirement of H. B. Bowen, Montreal, chief of motive power and rolling stock.

Canadian National Railways announces the retirement of Vincent Braceland, circulation manager Canadian National magazine.

Obituaries

Dr. Albert E. Archer, 70, Edmonton, Ontario-born former president Canadian Medical Association, fellow of American College of Surgeons and Royal College of Surgeons of Canada.

Col. M. L. FitzGerald, Donnacona, Que., secretary and comptroller of woods dept., Donnacona Paper Co.

Robert Clyde Johnston, 46, Toronto, manager foreign exchange dept., Toronto main office Bank of Nova Scotia.

Herbert William Jones, 50, Chatham, Ont., vice-president Chatco Steel Products.

Lt.-Col. Gerald Lynham Porte Grant-Suttie, 59, Toronto, Lithuanian consul-general for Canada, courts-martial expert.

Finlay Malcolm Maclennan, 62, Ottawa, assistant deputy minister and comptroller of transport.

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ADVERTISING

Account Appointments, Plans And News of Personnel in the Canadian Advertising World

Report on advertising conditions in paper-rationed Britain will be given Canadian ad-men by Alan Whitworth, managing director of the Incorporated Society of British Advertisers, at meetings which Association of Canadian Advertisers has scheduled in Montreal, June 21, and in Toronto, June 22. He will also attend Audit Bureau of Circulations meeting.

* * *

Technical Advertisers' Association of Montreal has elected as president Frank Wright, account executive at Cockfield, Brown Co. Other officers: vice-president, G. H. Tessier, James Robertson Co.; secretary, I. G. Morris, Brown, Bøveri (Canada) Ltd.; treasurer, F. B. Thompson, Harry E. Foster Agency Ltd. Directors for two-year terms: John Nickell, MacLaren Advertising Co.; John E. Baird, Canadian Industries Ltd. Directors for one-year terms: E. H. Wookley, Northern Electric Co.; Russell T. Haughland, Cockfield, Brown Co. Director representing associate members: G. W. Gilmour, Maclean-Hunter Publishing Company Limited.

* * *

O'Brien Advertising Ltd. (Vancouver), recently appointed by Throwaway Bit Co. of Vancouver, says two-color double-page spreads in three national trade magazines are being used to introduce Throwaway Bits to mining, contracting, and quarrying industries. Client is newly organized company, independently owned, reproducing bits to specifications of Portland, Ore., firm which developed them.

* * *

McKim Advertising Ltd. appoints as vice-president in its Montreal office Carl Dennis, Jr., formerly managing director of Erwin, Wasey of Canada Ltd. in Montreal and, prior to that, assistant to the president of Cockfield, Brown & Co.

* * *

Women's Advertising Club of Toronto this week elected Mrs. Elsie M. Barron, Nutrim Co., president. Other officers: vice-president, Marjorie Wesley, Canadian Gravure Ltd.; recording secretary, Dorothea Mitchell, E. L. Ruddy Co.; corresponding secretary, Joy McGilawae, Vickers & Benson Ltd.; treasurer, Gene McReynolds, Baker Advertising; and directors, Winifred Barker, Western Union Inter. Commun.; Dorothy Dunn, Associated Screen News Ltd.; Gladys Houck, Marketing; and Edna Caskie, Maclean-Hunter Publishing Company Limited.

* * *

The F. H. Hayhurst Co. (Toronto) says extensive magazine and newspaper campaign for Mercury Mills Ltd. is featuring "The New P. K. Baby Book," with nearly 50 illustrated patterns using various P. K. Mothproof Yarns.

* * *

Erwin, Wasey of Canada Ltd. (Toronto) says introductory campaign for Penolin, new liniment made by Pinkham Laboratories, Coburg, Ont., provides for 1,000, 400-, 120- and 40-line copy in daily newspapers. Distribution begins in Western Ontario, with other markets to follow in near future. Point-of-sale material includes large, four-color display cards, three-color streamers, and package sleeve featuring free trial offer.

* * *

McKim Advertising Ltd. (Toronto) campaign for Jamaica Tourist Trade Development Board will continue in selected metropolitan newspapers during July and August, using reduced rates for accommodation and easy availability by TCA as selling points for summer vacations in Jamaica.

* * *

The F. H. Hayhurst Co. appointed to direct advertising for Semet-Solvay Coke, product of Semet-Solvay Co., Toronto. Initial advertising will be confined to Toronto area, commencing with summer campaign in daily newspapers. Fall and winter campaigns also planned.

* * *

McKim Advertising Ltd. (Toronto) says Ontario Fruit and Vegetable Growers' Association is sponsoring new radio show, "Mary Garden's Market Basket," to be heard five days a week over Toronto station beginning this week and continuing through winter months, with addition of other stations anticipated. "Mary Garden" signature will eventually be used on most consumer-directed advertising by the Association.

Winnipeg Electric Bond Issue Sold

MONTREAL (Staff)—New issue of $2 million 3¾% first mortgage bonds of Winnipeg Electric Co. has been sold privately by Nesbitt, Thomson & Co. The new bonds are dated May 1, 1949 and mature May 1, 1971. Price was 101½ to yield 3.65%.

Proceeds of the new issue are for general corporate purposes, it is stated. Company has been carrying out extensions to its Seven Sisters power plant, increasing its capacity by a total of 50,000 h.p. Raising the dykes (35,000 h.p. of this has already been added), which will be completed this summer. In addition two new 37,500 h.p. units are being installed, one to be in this fall and the other by early 1950.

Bell May Ask Rate Raise Gross Earn's Up, Net Down

MONTREAL (Staff) — Bell Telephone Co. of Canada may soon have to seek an increase in rates, it was intimated in the prospectus covering its recent issue of $40 million 3 3/8% bonds.

First quarter net earnings were down nearly 5%, despite higher gross earnings than in the same period last year. The decline was attributed to increased costs including additional depreciation from the acquisition of new assets.

Although it is too early to attempt to forecast what 1949 results are likely to be, observers point out that in addition to these increased costs, fixed charges, which amounted to $3.7 millions in 1948, now total $5.1 millions on an annual basis. However, the $1,350,000 in annual interest requirements resulting from the $40 million 3 3/8% bonds just issued, will be applicable only to the last seven months of the current fiscal year.

Meanwhile, annual dividend requirements have increased following issue of 1,024,488 shares in January under an offering to shareholders, and of 46,816 shares this year (to April 23) under the employees' stock plan. Dividends paid out in 1948 totaled $10.2 millions and on the basis of the 6,207,308 shares outstanding on April 23, annual requirements now amount to $12.4 millions.

Business At Record Level

Business being done by Bell is still at record levels. By the middle of April, the company has increased the number of phones in service to over 1.5 million. As a result of record expenditures on new equipment ($75 millions in 1948, $158 millions 1946-48), Bell was able to install 149,000 telephones last year, the highest annual increase in the company's history. That this pace is being more than maintained this year is indicated by the fact that 44,000 additional phones had been installed by the middle of April.

Despite a reduction in the number of unfilled orders for service from 94,000 at the end of 1947 to 85,000 at the 1948 year end, requests were on hand from 94,000 existing subscribers for higher grades of service, principally those on party lines who want individual service. Both local and long distance calls have increased, with daily local connections up 9% and long distance 13% in 1948.

To handle the tremendous demand, the company's expansion program in the last three years has included buildings for dial equipment, central office equipment in urban centres, an extension of rural telephone service, installation of additional long distance switchboards, extension of multi-channel cable carrier systems, the trial of high frequency point-to-point radio links for telephones service and the successful experimentation with mobile telephone service (now in operation in Montreal and Toronto).

It is pointed out that the increased average amount of plant investment for each telephone in service, together with higher operating costs, have resulted in the declining trend in the return on the company's invested capital.

Required by August, French Canadian to sell high class British engineering products in Province of Quebec. Eventual prospects unlimited, therefore only men with first-class qualifications and unlimited energy need apply. Wide engineering and selling knowledge essential. Experience of filtration, machine tools, compressors, prime movers, mining, an asset. Write giving fullest details, salary required, when available, and if car-owner, to BOX NO. 115, THE FINANCIAL POST, TORONTO 2

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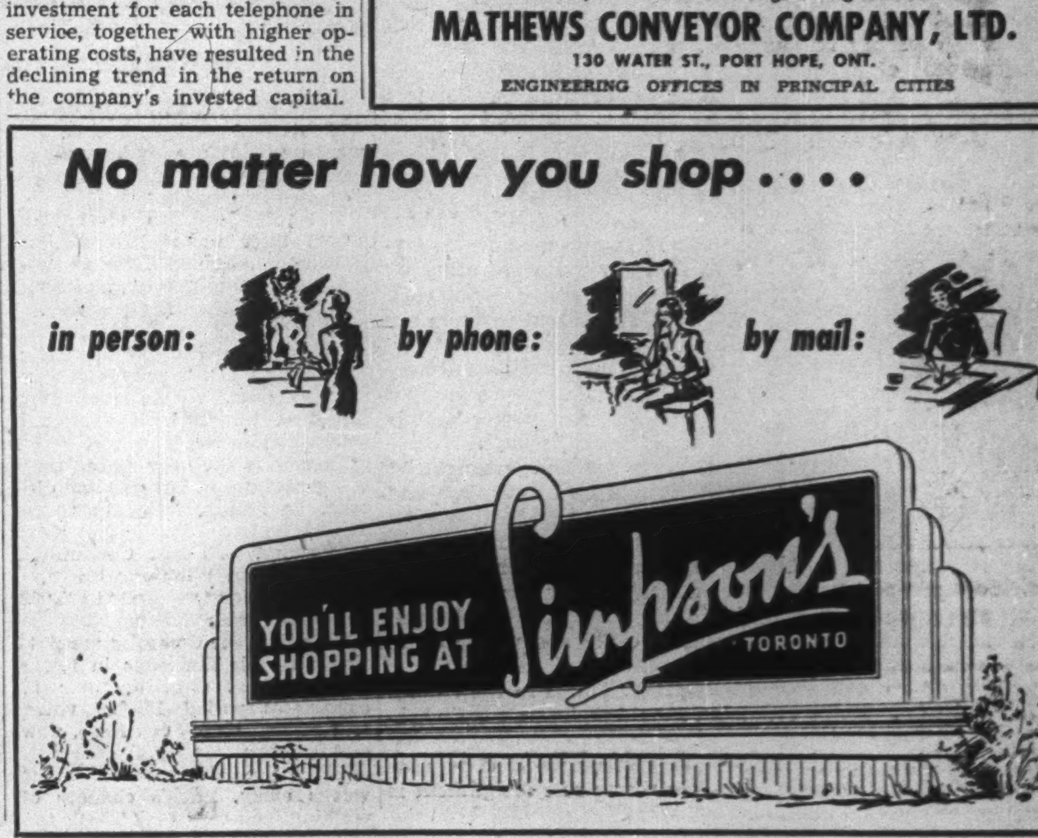

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Commies Concentrating On Getting Buck Elected

(Continued from page 1)

tionally Conservative in the federal field but the margin of victory has been getting smaller all the time. In 1945, Buck ran third but only 1,600 votes behind the winning Conservative.

The riding is being covered house-by-house from the lake front to the northernmost limits, at St. Clair Ave. Buck has so many canvassers, they go around in groups of three and four. Some voters have already been called on twice.

At $70 a crack, Buck is on the air six nights a week. He's handing out sweatshirts right and left to youths. Emblazoned on the front is the exhortation: "Tim Buck for Trinity." Cyclists carry cards spelling out the T-I-M B-U-C-K. A sound truck, complete with dancing girls, brings up the rear.

All the Communist big shots are in the Trinity campaign. A special tabloid newspaper has been distributed to 25,000 homes. Every week a double spread is printed in the Communist paper.

Money seems to be no object. Most of it appears to be coming from Communist-run labor unions such as CIO Electrical, Auto, Fur and Leather, Mine Mill and Smelter and AFL Chemical and Textile.

Buck's platform is a good example of Communist double-talk about old age pensions of $60 at 65; higher income tax exemptions (he's actually claiming credit for those announced in the budget recently); better housing; a new labor code and of course, peace. He's even pushing for a swimming pool and community centre. But not a word about the basic revolutionary tenet of Communism.

Following is a complete list of Communist LLP candidates, the ridings they're running in and how they fared last time:

Toronto-Trinity — Candidate: Tim Buck; 1945: Cons. 8,908; Lib. 8,817; LPP, 7,448; CCF, 3,425.

Montreal Cartier — Candidate, Harry Binder; 1945: Communist, 10,413; Lib. 8,935; Bloc. P. 6,148; 1947 by-election: Lib. 9,493; Ind. 6,789; Communist, 6,119.

Winnipeg North — Candidate, Joseph Zuken. 1945: CCF, 13,011; Communist, 9,116; Lib., 8,839; PC, 2,584; SC, 864.

Burnaby-Richmond, B. C. — Candidate, Tom McEwen (new riding).

Vancouver Centre — Candidate, Maurice Rush. 1945: Lib., 9,959; CCF, 9,141; PC, 8,896; Communist, 3,757.

Vancouver East — Candidate, Charles Stewart. 1945: CCF, 16,004; Lib. 7,789; PC, 7,009; Communist, 4,283.

Edmonton East — Candidate, Ben Swankey. 1945: SC, 8,214; CCF, 5,833; Lib. 5,313; PC 4,115; Communist, 1,233.

Bow River, Alta — Candidate, Arthur Roberts. 1945: SC, 6,569; PC, 3,917; CCF, 3,386; Lib. 2,091; Communist, 1,149.

Regina — Candidate, Bill Beeching. 1945: CCF 13,799; Lib. 10,804; PC, 6,971; Communist, 440.

Mackenzie, Sask. — Candidate, Bill Berezowski. 1945: No Communist ran; CCF won by margin of 3,400 over Liberals.

Fort William — Candidate Alvin Johnson. 1945: Lib. 7,209; CCF, 5,858; PC 4,945; Communist 775.

Timmins — Candidate, Ray Stevenson (new riding).

Essex East (Windsor) — Candidate Cyril Prince; 1945: Lib., 16,165; PC, 8,244; CCF, 4,349.

Wentworth-Hamilton — Candidate, Stanley Ryerson. 1945: PC 15,458; Lib. 13,652; CCF 11,915. No Communist candidate.

Hamilton East — Candidate, Peter Dunlop. 1945: Lib. 13,176; PC 11,519; CCF 8,706; Communist, 1,461.

Welland-Ont.—Lib. 19,522; PC 14,637; CCF, 7,383; Farmer-Labor (endorsed by Communists) 3,259.

Ste. Mary-Montreal — Candidate, Phillip Richer. 1945: won by Liberals; no Communist ran.

Is It The Bulls or The Bears Who Are Guessing Right?

(Continued from page 1)

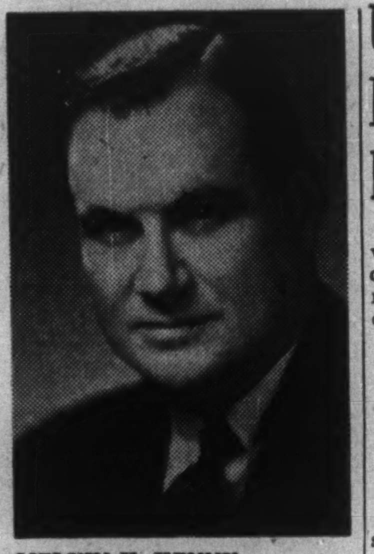
these have been arguing for some time that a bull market could not start from present high levels of the market and business activity. Some suggest a level of 140-145 for the Dow-Jones industrial average before the end of 1949.

The key factor, which apparently touched off the present break, was mounting fear of a price and industrial recession this year. Added to this of course is the foreign situation.

But among businessmen there is also a conflict of opinion as to the business outlook. The more or less hand-to-mouth buying of many companies, which may be responsible for some of the price cuts, especially in base metals, would indicate that these companies can't suffer too heavy an inventory loss. Further to the extent that inventories are at a low level, there should be a steady flow of replacement orders, even if they are smaller in size.

Also a strengthening element is the fact that prices of stocks have been deflated for nearly three years now and that there has been little speculation in either stocks or business. Individuals are in a very liquid position. Savings deposits in Canadian chartered banks were at a new high at March 31, being over $4,264 millions.

But whether the strengthening factors are sufficient to overcome "fear" remains to be seen.



MELVIN K. KENNY

has been elected chairman of the Agency Officers Section of the Canadian Life Insurance Officers Association. He is superintendent of agencies of the Excelsior Life Insurance Co., Toronto.

CNR Pushes Control Study

(Continued from page 1)

are performing essential services but which are operated at a loss. The brief also says that CN is today the pioneering railway of the country and bears a large share of the responsibility for the development of national resources. It is also of vital strategic importance.

Division of Traffic

It will be submitted by CN that "it is highly desirable that the railways should carry the traffic which they can best handle in the national interest, while leaving to the other modes of transportation the fields in which they have special advantages of cost or convenience; also that an enquiry be undertaken to determine how this can be fairly accomplished."

Canadian National also states that it favors the principle of uniform accounting for Canadian railways subject to mandatory rules and regulations. (Canadian Pacific has adopted the "user" method in depreciating its rolling stock and the validity of its depreciation accounting was challenged by the provinces at the recent freight rate hearings).

CN says that it considers the Canadian National-Canadian Pacific Act governing co-operation between the railways is satisfactory in its present form.

BONETAL GOLD MINES by an agreement with Broulan Porcupine Mines agrees to reimburse Broulan for expenditures beyond revenue by sale of treasury shares, the first shares at 15 cents a share (up to 250,000 shares), and then at 20 cents for a further 250,000 shares. If the Bonetal property is brought into profitable production, as defined, Broulan is to receive 15%, Porcupine Reef 10% and Bonetal 75% of distributive amounts.

UK To 'Bonus' Dollar To Push Sales?

(Continued from page 1)

which Mr. Wilson will doubtless discuss with his officials and ministers on return to Britain include the following:

(a) Increased bonus of domestic sales to manufacturers which divert a larger proportion of their sales to dollar markets.

(b) A bonus of actual "dollars" for increased dollar sales.

(c) Some form of tax incentive for increased dollar sales.

One of the difficulties of such schemes is that of making sure that the bonus gets back to the proper party.

Canada faced the same problem when export prices were higher than domestic prices under wartime price ceiling conditions.

If the bonus is given to the individual who actually ships the goods, it may be grossly unfair. But how do you earmark textiles, for example, at the manufacturers level, as between those that will ultimately find a market in dollar countries and those that go elsewhere?

There is probably nothing that Canada can do about this matter from this end. But there is no doubt that it is something very much in the forefront of British thinking: something which may provide a very important clue to the success of the U. K. export drive and to the ultimate solution of the Anglo-Canadian trade dilemma.

British experts are not hopeful that there can be any increase in the $300 million of 1948 exports to Canada, during 1949. They'll be glad if the 1948 figures can be maintained, let alone exceeded.

Partly, this is because the present big drive to increase capital goods sales in Canada will not bear dollar fruit until 1950 or later.

On the other hand, the British expect some savings in their Canadian purchases due to lower prices; lack of items like bacon; difficulties over ECA off-shore purchases.

What About Devaluation?

But the hard core of the problem is thought here to still lie in ultimate British policy on devaluation.

There is the greatest concern here about current American "pressure" for devaluation. It is argued that continuance of such pressure may be quite disastrous to the ultimate objective; may well boomerang in highly disadvantageous ways.

For example: If the British are forced to devalue prematurely and the job is not done adequately or effectively, then the U. K. may be driven to more restrictive measures as a last resort. (This is what happened after the convertibility—at U. S. insistence—drove the U. K. into more rigid controls and restrictions.)

Again, if the Americans get too violent or insistent, it is feared here that left wing elements in the U. K. Government may make an issue of Britain being "forced" by United States to slash her standard of living still further via devaluation.

If this element were given enough ammunition from America, it is argued here they might well force the resignation of a man like Sir Stafford Cripps and institute a series of further restrictions, Socialist measures that might make present world trade barriers look comparatively free and easy.

The view here seems therefore to be that this is a problem that the British must—and will—solve by themselves.

Just how soon or to what extent devaluation will be necessary or desirable is still not clear. Much will depend on the "terms of trade" over the next few months.

The Effect of Prices

On the one hand, the easing of prices for goods Britain must buy in dollar areas will have a vital bearing on the whole situation. Equally important will be the ability of Britain to continue to market her exports, in present volume, in world markets.

If dollar prices of goods Britain must buy continue to fall, the time may shortly come when U. K. would be able to continue purchasing the same quantities with revalued pounds but at the same over-all dollar cost as she has been paying, say during 1948. (One important exception is the Canadian wheat contract which is in fixed dollars and remains an important consideration until July 31, 1950, when it expires).

Also, if Britain's export figures continue the decline which was revealed for the first time in April, there may be a very different picture looming ahead by the Autumn.

Thus, for the moment, the official disposition here in Canada is to "sit tight" and see what happens.

Meanwhile, it is expected there will be a full-dress debate on Anglo-Canadian trade when Mr. Wilson returns to Britain. What will be decided with greatest interest is whether or not any new specific policy in respect of Canada (and the United States) emerges from the Wilson visit.

Look for It Here

June 4, 1949

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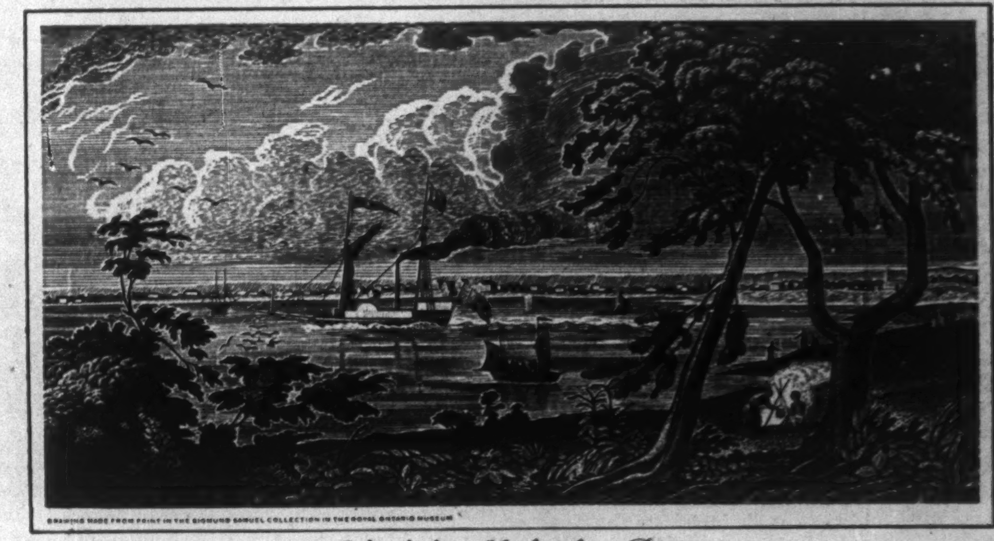
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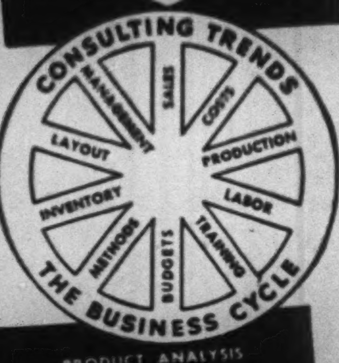

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INVESTMENTS THIS WEEK

Forced Selling Question Raised By Market Action

Has forced selling been a factor in Canadian stock markets recently? That question came to the fore with a report that banks had been overhauling their margin accounts, which had caused a good deal of forced selling.

Only to a very little extent, would this seem to be the answer. Not one bank or broker contacted said it was the case as far as his own business was concerned.

All claimed that their margin accounts were in good shape and that there were very few weak accounts. All banks said that there had been no special reviewing — as distinct from their normal day-to-day review — of their margin accounts.

"Jittery" selling rather than "forced" selling would be a better description of what selling there is, one broker stated. People are timid and so dumping securities, he added. As long as the selling did not become too heavy, normal daily investment buying should be able to absorb it, he felt. But indications this midweek were that selling was mounting as the market took a sharp drop with increased volume on Tuesday. This may cause some margin calls.

What little forced selling was seen was felt to arise principally from the sharp drop in prices of base-metal stocks in the last couple of weeks and particularly from the drop in Sherritt Gordon Mines Ltd. One broker said he felt that there was a substantial amount of Sherritt Gordon Mines common held on margin, probably as much as any other stock.

Call loans of both banks and investment houses have been at low levels for some time. Canadian call loans of all banks totaled $81.3 millions at March 31, 1949, as compared with $108.1 millions a month before and with $78.2 millions at Dec. 31, 1948. T.S.E. member firms' call loans totaled $28.1 milions at the end of March against $30.9 millions a month before and $30.4 millions at the end of 1948. Brokers' loans for Montreal Stock Exchange and Curb Market totaled $17.4 millions at the end of March as against $19.5 millions a month before and $21.4 millions at the year end.

• • •

B. A. Oil Said Seeking Loan For U. S. Subsidiary Company

British American Oil Co. officials are currently discussing a sizeable loan with U. S. bankers, The Financial Post understands. Unconfirmed reports place the size of the loan at from $4 to $5 millions. Funds presumably are for company's wholly owned U. S. subsidiary, British American Oil Producing Co.

• • •

Annual Reports

William Neilson, Ltd. annual report for 1948 will be supplied to any preferred shareholder who asks for one, but is not being mailed to them, nor is it being supplied to the press, F. A. Riddell, secretary-treasurer of George Weston Ltd., the parent company, tells The Post. Neilson's preferred stock was offered to the public in February, 1948, and one clause in provisions of the preferred stock issue was that preferred shareholders "shall be entitled to have mailed to them copies of the financial statement and directors' report thereon submitted to annual meetings of shareholders . . ."

• • •

Ingersoll Machine & Tool Co. and its subsidiary, Morrow Screw & Nut Co., combined distribution of 1948 income dollar shows 37.9c for cost of materials, 34.5c for wages and salaries, 12.0c other expenses of operation, 5.4c income and municipal taxes, 1.8c depreciation, 1.6c dividends and 6.8c carried to surplus. The distribution also shows the actual dollar figures and the division between the parent company and its subsidiary which will be helpful to shareholders.

• • •

Dominion Stores Ltd. has again produced an annual report which is effective in appearance and informative in content. A table gives the comparative operating record for the past two years and shows that each dollar of sales for the year ended March 19, 1949, went 85.09c to producers, manufacturers, and processors for merchandise and supplies, 8.67c to employees, 2.13c for rent, taxes, insurance, etc., 1.29c for income taxes, 0.74c for advertising and overhead expenses, 0.74c to shareholders and 1.34c retained for working capital and development.

• • •

Moss, Lawson Reviews National Hosiery Mills

Class B shares of National Hosiery Mills, Ltd., give desirable representation in a growing and important segment of the textile industry, and the company has given ample evidence that it occupies a commanding position in the full-fashioned hosiery field, Moss, Lawson & Co. state in a new review of the company. "While it is, perhaps, too much to expect that present profit figures can be maintained indefinitely, nevertheless, we feel the company has worked itself into such a position that reasonable profits and dividends can be anticipated, which will make for a very satisfactory investment experience from the B shares at current prices," it adds.

National Hosiery Mills Class B shares are currently selling around $17 a share to yield about 7.06% on the basis of the $1.20 annual dividend rate established this year. At the price the shares are selling at about 4.2 times the 1948 earnings of $4.06 on the combined Class A and Class B shares.

EARL A. THOMAS,

president and general manager, Bright's Wines Ltd., has been elected president, the Canadian Wine Institute.

Investment-For-Women Course Proves Popular in Toronto

Are women interested in the details and angles of investing? Wood, Gundy & Co. of Toronto thought they were, now know they are.

Recently, the firm announced two lectures for women on "This Business of Investing." They arranged for a room seating 120 at the Royal Ontario Museum, put an ad in Toronto papers. A week before the first lecture, there was such a demand that larger accommodation was being arranged.

When the first lecture began Tuesday afternoon it was in the Museum Theatre and to an audience well over the 120 mark.

The course consists of two lectures of one hour each, the first held last Tuesday, the second to be held June 7. Lectures are divided into two half-hour periods, with two speakers at each.

At the first lecture, Dr. Alice Turner Ph.D. covered the broad principles of investing in bonds and stocks and explained in simple language what bonds and stocks are.

Roy Funston described the mechanics of purchasing bonds and shares

At the second meeting on June 7, E. H. Ely will discuss the various factors affecting security markets, such as supply and demand and business conditions. He will also outline the buying of securities for investment. Miss Helen W. Cleveland, director of the course, will speak on "Planning Your Investment Portfolio." Topics included will be how you can build up from a very small beginning and the importance of maintaining a properly balanced portfolio.

"Women should know more about investing but they have little opportunity to learn it," says Miss Cleveland. Many are placed in the position of having to invest without having the knowledge but, she feels, women as a rule have done very well at it, being usually conservative and cautious.

The "for-women-only" course in handling money was the brainchild of Ferdinand C. Smith, San Francisco partner of Merrill, Lynch, Pierce, Fenner and Beane, large U. S. investment firm. The idea was first tried out in San Francisco where the response amazed the firm. Its first eight lectures were conducted for 550 women and it is now running a second course for the remainder of the 1,100 women who replied.

Merrill Lynch's Salt Lake City office was the second to give these investment lectures and the third started last week in Washington, D. C.

Quick Profit or Pessimism Factor in Boom in Shorts?

BY W. L. DACK

Although the next week or so should show just how successful the shorts have been on this occasion, the recent market break already spells fairly handsome profits for many. Indications are that many of the shorts intend to maintain their positions for anticipated penetration of the three and half year low (1946-to-date) of 163.12 on the Dow-Jones industrial average.

Against Nature To Go Short

Traders still on the long side of the market have this satisfaction—in the event of a further market decline, the short position would serve as a cushion to absorb further liquidation once shorts covered as profits developed. Should the market atmosphere brighten and stock prices turn up, a general short covering movement could accelerate the upturn.

As measured by the latest short interest position on the New York Stock Exchange, market pessimism is at its highest point in 16 years.

The last short interest report of the Toronto Stock Exchange shows the short position up 21.4% in two weeks. A spot survey of several Toronto investment houses reveals that general market sentiment has taken a turn for the worse, with more traders climbing on the 'short' bandwagon during the last three days.

Should this, in itself, be cause for apprehension?

The records say no.

In 12 out of the last 18 years, the short interest peak was reached just before the market started up. In other words, the bears had guessed right only six times.

Their failure was even greater when short interest was measured in relation to total volume of trading. In this ratio there were two previous peaks as high as last week's—in 1938 and 1948. The 1938 bearish peak came just before the market shot up 52 points; the 1948 peak came during a 30-point rise. Conversely, when price peaks have been reached the short volume ratio has been low. Which all seems to point up the traditional investor failing of being most optimistic at the top of a market rise, most pessimistic at the bottom of a market dip.

Traditionally, it's against the nature of the average trader to go short on the market and Canadians are even more hesitant than Americans in this respect. Many feel that a short position is more dangerous than a long one and necessitates almost continuous market scrutiny. Many, too, are not clear on all the steps in a completed short trade.

Before a broker accepts a client's order to sell a stock short, he makes sure he can obtain loan of the stock certificate for delivery to purchaser. He may be able to borrow a customer's stock in his own house or may have to go to the loan post of the exchange to secure the certificate.

One trouble is that there is no guarantee how long this stock will be available for loaning purposes. A client whose stock has been loaned one day may demand the stock the next day. In this case new stock must be obtained in a hurry or the short trader must cover—(complete his trade by buying the stock back in.)

Short traders in the U. S. can have a little more easiness of mind in this respect, for deals can be made with clients whose stock has been borrowed for use of the stock for a longer term by payment of a premium to stock owner. Again there is generally a greater supply of stock available on U. S. exchanges.

In order to loan any of his client's stocks, the broker must have written permission to do so from the client. Many brokerage houses have clients sign cards giving this permission when an account is first opened. Stocks fully paid for must be segregated, held in trust and kept available for the owner at any time. Thus practically all of the house loans are made from margined accounts. The broker must indicate on his order slip that the sales represents a short sale.

Dofasco Defers Expansion Plan

Production of Dominion Foundries & Steel Ltd., Hamilton, Ont., for the first five months of the current fiscal year is slightly ahead of the similar 1948 period, The Financial Post understands.

Earnings to date show a good improvement from those for the previous year, and although there is a possibility that they may fall off slightly later this year, Dofasco expects 1949 to show at least as good earnings as 1948. In 1948, net profit was $1,341,234 or the equivalent of $2.95 a common share.

One factor likely to affect a continued demand for steel from Canadian companies is the substantial increase in imports of U. S. steel to the Canadian market. If "flooding" of the Canadian market continues, operations of Canadian companies may be affected, it is felt.

In the first quarter of 1949, Canadian imports of steel in primary forms from the United States ran close to 300,000 tons as against an average of around 270,000 tons a quarter in 1948. In March alone, iron and steel imports jumped 40% or from $61 millions to $86 millions, while in the first quarter Canadian imports were up 22½% to a high mark of $229 millions ($187 millions in first 1948 quarter).

In view of the change in the demand situation for steel, Dofasco has deferred indefinitely its plan to install a 500-ton blast furnace and auxiliary equipment including coke ovens, The Post understands. A tentative agreement had been reached with Ottawa on this expansion.

Dofasco's new electrolytic continuous tinning line is to turn over this week and the company hopes to have the line in full operation by late in June. This will allow it to produce a type of tin plate which carries ½ lb. coating of tin instead of the present 1½ lb. coating.

Controlling Interest In Aurora Textiles

"Controlling interest, both financially and in the management policies" of Aurora Textiles, Ltd., is held by H. Greenhalgh, president and managing director and his wife M. K. Greenhalgh.

This firm, located at Aurora, Ont., specializes in women's sweaters and other knit goods. It has one other shareholder with a minority interest, C. W. Stollery.

MONTREAL REFRIGERATING & STORAGE LTD. has received Supplementary Letters Patent reducing authorized capital from 18,032 to 12,628 shares of 5% cumulative first preferred stock of which 6,491 shares are outstanding. Authorized common remains at 50,000 shares of which 37,000 are outstanding.

Quota required up to $100,000. Schedule 2 category 4 (Miscellaneous).
Please reply Box 125,
THE FINANCIAL POST, TORONTO

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

POWELL ROUYN GOLD MINES realized a net profit of $13,567 the year ended March 31, 1949, after writing off $109,360 depreciation, as against a loss of $76,024 the preceding year. Custom milling brought in $47,437, after expenses. Cost-aid is reported at $91,233.

The Powell contract was recently renewed for two years on a basis which will permit the company to draw, to some extent, on ore bodies previously thought too low grade to prove commercial.

The Powell mill is now treating a capacity tonnage of ore on a custom basis and negotiations for further customers are being carried on as the mill is designed to permit expansion with low capital expenditure. Demand for flux by Noranda this summer is expected to expand by 50% but no difficulty is expected in supplying increased requirements.

Broken ore reserves total over 64,000 tons with ore reserves up in tonnage although down in average grade as shown below.

INCOME ACCOUNT

Years Ended Mar. 31:	1949	1948
Ore shipments	$581,523	$509,479
Less: Mkt. exp.	101,779	76,489
Mining	305,942	234,329
Dev. & explor.	76,143	77,301
Mine management	32,026	27,994
Misc. exp.	94,037	81,321
Add: Custom mill	47,437	......
Oper. profit	19,033	12,045
Add: Misc. receipts	12,661	8,281
Est. Cost-aid	91,233	......
Less: Deprec.	109,360	68,932
Pre-prod. exp.	......	25,473
Outside expl.	......	1,945
Net profit & surplus	13,567	*76,024
*Loss or deficit.		
Earnings per Share	$0.01	d$0.06
None paid.		

CONDENSED BALANCE SHEET

As at Mar. 31:	1949	1948
Cash & bullion	$358,815	$257,545
Dom. of Can. bds.	55,000	75,000
Accts. rec.	4,477	1,377
Est. Cost-aid	32,164	......
Stores at cost	102,326	70,803
Total curr. assets	552,782	404,725
Prep. chgs.	14,553	9,158
Craibbe-Fletcher shs.	61,867	61,867
Def. develop.†	......	10,993
Mining props.	645,075	645,075
Plant & equip.▴	191,089	201,312
Total assets	1,465,366	1,333,130
Custom milling	112,552	......
Accts., etc., pay.	45,732	39,615
Total curr. liab.	158,284	39,615
Capital stock	1,162,049	1,162,049
Surplus	145,033	131,466
†After w/o	329,651	318,658
▴After depr. of	781,407	690,832
Working capital	394,498	365,110

OPERATING STATISTICS

	1949	1948
Tons milled	120,307	97,764
Average recov.	$4.63	$5.21
Ore reserves, tons†	653,199	586,765
Grade ($35 gold)	$4.44	$4.76

†Excluding 249,703 tons, averaging 0.095 oz. in 1949, and 428,794 tons, averaging 0.090 oz. in 1948.

FLEET MANUFACTURING LTD. operations for the year ended Sept. 30, 1948, resulted in a net loss of $380,785 as compared with a loss of $1,590,584 in the previous year. There was a net profit for the four months ended Jan. 31, 1949, however, of $52,571. This trend of profits has continued from end of January to date and is expected to continue throughout balance of year, the annual report states.

Company has firm orders on hand for approximately $1.5 million. Recently the company terminated the original agreement with the Twin Coach company under which Fleet fabricated buses for them and substituted a new lease-type agreement which is considered more satisfactory to Fleet.

Management is continually seeking new products to manufacture and has recently developed a packaged interior door which has met with a favorable reception, as evidenced by orders in excess of $600,000.

Internal organization of the company has been stabilized and overhead cost considerably reduced. The future looks encouraging, President George D. Clarke states.

INCOME ACCOUNT

	4 Mos. ended Jan 31 1949	Year ended Sept. 30 1948
Oper. profit	$68,183	*$364,655
Add: Prof. on sale of invests. & equip.	1,359	20,302
Less: Deprec.	6,805	20,248
Deb. disc. amort.	1,833	3,767
Debent. int.	8,333	12,417
Net profit & surp. for year	52,571	*380,785
*Loss or deficit.		
Earnings per Share & Divd. Record:		
Earned	$0.10	d$0.73
None paid.		

CONDENSED BALANCE SHEET

As at:	Jan. 31 1949	Sept. 30 1948
Cash	$14,123	$5,367
Accts. rec.	119,959	56,818
Invent., less res.	403,807	486,033
Total curr. assets	537,889	548,218
Misc. assets▴	64,312	63,370
Properties*	695,978	690,299
Debent. discount	107,350	109,233
Total assets	1,405,529	1,411,120
Bank loan	84,093	81,617
Dep. on sls. contr.	74,136	98,428
Accts., tax., etc., p.	269,249	251,484
Mtge instal. due	......	50,000
Total curr. liab.	427,478	481,529
Mortgages	450,043	454,153
Funded debt	450,000	450,000
Capital stock	365,090	365,090
Deficit	287,082	339,652
*After depr. of	409,041	405,768
▴Incl. ref. EPT	46,391	46,204
Working capital	110,411	66,689

CARIBOO GOLD QUARTZ MINING CO. showed a loss of $116,886 despite cost-aid of $116,773 in the year ended Jan. 31, 1949, but President W. B. Burnett feels that "brighter days" are ahead as the three-compartment shaft was placed in operation early in 1949.

During the 18 months in which the shaft was completed, maintenance of ore grade was stated to be difficult, because ore supplies had to be drawn from the main level and levels above.

Already the small amount of development completed on the 2,000 level since completion of the shaft is stated to have confirmed "existence of excellent ore that had previously been indicated by diamond drilling."

INCOME ACCOUNT

Years Ended Jan. 31:	1949	1948
Bullion receipts	$745,475	$732,766
Less: Oper. exps.	790,951	946,711
Oper. loss	45,476	213,945
Less: Misc. inc.	1,720	2,523
Est. Cost-aid	116,773	......
Add: Admin., etc.	37,948	34,645
Net oper. loss	*35,069	246,067
Add: Deprec.	61,684	50,467
Depletion	70,267	89,617
Amort. shaft survey	20,004	......
Net loss	116,886	386,151
*Profit.		
Earnings per Share	d$0.076	d$0.252
None paid.		

CONDENSED BALANCE SHEET

As at Jan. 31:	1949	1948
Cash & bullion	$52,958	$118,396
Govt. bonds	......	1,873
Accts. rec.	568	9,028
Est. Cost-aid	45,624	......
Mine supplies	144,758	189,660
Total curr. assets	243,908	318,957
Prep. & def. chgs.‡	8,474	9,074
Development	1,339,965	1,297,670
Invest.	214,802	214,753
Wells Sch. bd. deb.	......	......
Claims & props.▪	*404,006	*334,039
Plant & equip.▴	708,328	625,987
Total assets	2,111,471	2,132,402
Bank loan	96,998	......
Accts., etc., pay.	85,515	119,332
Total curr. liabs.	182,513	119,332
Mortgage pay.	214,577	200,000
Capital stock	1,391,362	1,391,362
Capital surplus	914,416	914,416
Deficit	591,397	492,708
▴After depr. of	1,061,958	1,002,449
▪After deplet. of	1,073,566	1,003,299
*Excess of depl. res..		
‡Incl. in curr. assets in co's report.		
Working capital	61,395	199,625

OPERATING STATISTICS

	1948-49	1947-48
Tons milled	70,267	89,617
Average recov.	$10.61	$8.18
Ore reserves, tons	214,740	238,740
Grade	$10.50	$11.20

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INVESTMENT SECURITIES REVIEW

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The Investment Securities Review for June, just off the press, contains prices and interest or dividend income from investments in Government, Municipal, and Corporation Bonds, Bank Stocks, and Preferred and Common Stocks of leading Industrial, Mining, and Oil Companies. Investors and "traders" find it very useful each month for reference purposes.

The June issue also contains a review, from the investor's point of view, of the affairs of Shawinigan Water & Power Company which will be of interest to those seeking a sound investment in an old-established, well managed and successful company, the common shares of which may be bought at a price to pay an income of over 4½% a year on the investment. Write for a copy now. It is sent without obligation. You will find it most interesting.

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115

OPENING
XX FUR INTERNATIONAL AUCTION

The 20th International Fur Auction will be opened in Leningrad (USSR) on the 25th of July, 1949.

There will be exhibited a great number of different best furs.

The show of goods will begin in the 15th of July, 1949.

Firms and persons interested in receiving a complete information concerning the Auction may obtain it at the Office of the Commercial Counsellor of the Soviet Embassy to the following address: 285 Charlotte Street, Ottawa.

Canadian Municipal Securities
To Yield From 3.20% to 4%

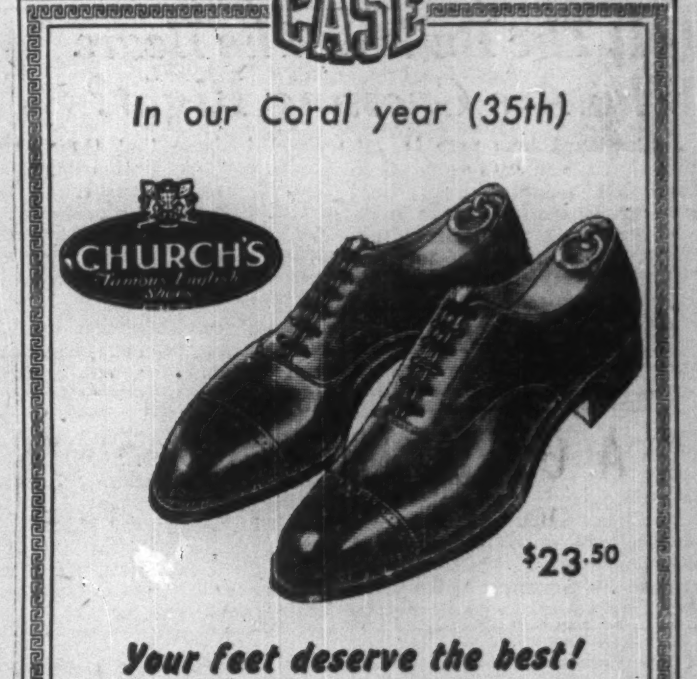
	Rate %	Maturity	Price	Yield %
City of Winnipeg Gtd. Winnipeg General Hospital	3¼	1965-69	100.68	3.20
City and County of Saint John, N.B.	3½	1965-69	99.50	3.54
City of Port Alberni, B.C.	3	1959-68	91.41	3.75
The Edmonton School District No. 7	3½	1965	100.00	3.50
Portage La Prairie School District No. 10	4	1960	103.125	3.65
School District No. 53 (Terrace), B.C.	3½	1950-69	97.97	3.75
Town of Dorval, P.Q.	3	1963	95.57	3.40
Town of Newcastle, N.B.	3¾	1969	101.00	3.68
Township of Scarborough	3¾	1965	100.00	3.75
Township of Tarentorus, Ont.	4	1949-63	100.00	4.00

We offer these securities as principals. Prices quoted "and accrued interest".

Circulars containing financial statistics and details of each of these offerings will be forwarded promptly on request by telephone or mail.

Wood, Gundy & Company
Limited
Toronto Montreal Winnipeg Vancouver
Ottawa Hamilton London, Ont. Kitchener
Regina Edmonton New Westminster Victoria
New York Halifax London, Eng.

VILLAGE OF ST. JEAN DE BOISCHATEL, Montmorency Co., Que., has sold $44,000 3% bonds due May 2, 1950-54 and $256,000 3½% bonds due 1955-64 to Grenier, Ruel & C., J. E. Laflamme Ltd., La Corporation de Prets de Quebec and L. G. Beaubien & Co. Price was 96.25 for net cost to village of 3.865%. Of $187,500 1964 maturity, $178,500 will be met through 15-year renewal loan. Proceeds are for waterworks, sewers and fire prevention. Corporation has no other long term debt; population, 1,200.



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In our Coral year (35th)
$23.50
Your feet deserve the best!
Church's Famous English Shoes are exactingly hand lasted of supple leathers to fit your feet with the utmost comfort
Two Shops
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Classified ADVERTISEMENTS

Classified ads. cost 4c. per word and figure for each insertion. Minimum ad. 12 words. Add six words when box number is required. When replies are to be mailed to advertiser, add 10c. Classified ads. payable in advance. Contract rates on application.

POSITIONS WANTED

SENIOR ACCOUNTANT

FIRST-CLASS experience at home and abroad, manufacturing, insurance, chain stores, etc., desires change for real prospects. Box 87, The Financial Post, Toronto 2, Ont.

AVAILABLE IMMEDIATELY, manager for food canning or processing plant; married, age 29, experienced in factory and personnel management, office administration, purchasing, production and cost control and banking. Wants opportunity with progressive company preferably in Ontario. Box 119, The Financial Post, Toronto.

PRACTISING DENTIST. Married. Good manners and health. Desires to transfer to business world. Age 32. Keenly interested in Applied Economics and Design. Box 120, The Financial Post, Toronto.

REPRESENTATIVES AVAILABLE

Is There a Market For Your Product In Europe?

ENGINEER with business and foreign exchange background going to Europe in Industrial-Economic Survey July and August. Will undertake business or trade assignments. Commission or fee basis. Reliable Reports. Enquiries treated confidentially. Arrangements must be completed by June 18th. Apply Box 124, The Financial Post, Toronto.

LOCATE IN HALIFAX

ESTABLISHED FIRM will represent and conduct your business affairs courteously and efficiently. Address: P. O. Box 775, Halifax, N.S.

BUSINESS OPPORTUNITIES

LARGE DEPARTMENT STORE Vancouver District. Turnover $80,000.00 year. Reasonable Price. Elaborate fixtures $17,000. Stock $30,000. No charge for Goodwill. In most go-ahead district. Splendid opportunity for one or two parties. Please write us what kind of a Store or Business you want, and amount you will invest. Four Provinces Investment Co., 300 Main St., Winnipeg, Man.

GENERAL STORE, Manitoba. Turnover $125,000.00. Old established highly thought of. Stock of Dry Goods, Boots and Shoes, Groceries $18,000. Fixtures, brick building, warehouse, included with $18,000. Stock only $29,000. A sound investment. Terms of payment may be arranged. Four Provinces Investment Co., Winnipeg, Man.

LARGE DEPARTMENT STORE in Northern Ontario in wealthy progressive city. Turnover $250,000.00. Handles profitable lines retail Mdse. Stock $100,000. (no groceries). No charge for 20 years established Goodwill. Price fixtures depends if all cash for stock, perhaps free. Terms can be arranged. Four Provinces Investment Co., Winnipeg, Man.

DAIRY BUSINESS and Jobbing for Many Food Products and Tobacco, in North-West Ontario. Turnover $500,000.00 per year. Price $50,000, plus stock $14,000. Terms. Four Provinces Investments Co., Winnipeg, Man.

LARGE HARDWARE STORE in Western Canada City. Turnover $90,000. In same ownership 40 years. Retiring. Price $50,000 includes building and large stock merchandise. Four Provinces Investment Co., Winnipeg, Canada.

FURNITURE AND JEWELRY Business, in Manitoba large important town. Price $21,000 includes $13,000 stock and building. Four Provinces Investment Co., Winnipeg, Man.

POSITIONS AVAILABLE

OWNER OF LARGE commercial printing plant in Western Ontario city wishes to engage a high-class manager to look after plant production. Must be competent all round printer preferably middle age. If mutually satisfactory partnership in business will be considered. Confidential correspondence solicited from interested parties. Box No. 122, The Financial Post, Toronto.

Final

An estate plan, once set down in a Will, is often thought of as final when as a matter of fact it will need periodic revision. Births and deaths in the family, children's marriages, a change in your assets or the set up of your business may render your plan obsolete to a greater or less extent. In seeking practical and workable amendments to your estate plan from time to time, the Toronto General Trusts offers you a consultative service based on a broad experience of estates administration. This service includes a careful review of your assets and a re-estimation of your tax liabilities. We invite your inquiries.

THE
TORONTO GENERAL TRUSTS
CORPORATION

Head Office: 253 Bay Street, Toronto

ADMINISTERING ASSETS OF $300,000,000

PROMINENT MANUFACTURERS JOIN FORCES

H. W. MAXWELL W. H. BUTLER

The trend from private to public ownership is well illustrated in the combination of the 57-year-old business of Butler Metal Products Limited, until recently a family concern, when it became a wholly-owned subsidiary of Maxwell Limited, manufacturers for over 90 years and until last year also a family concern. W. H. Butler is President and Managing Director of Butler Metal Products Limited. H. W. Maxwell, President of Maxwell Limited, becomes a Director along with J. O. Maxwell, Vice-President of Maxwell Limited. C. T. Black continues as Treasurer of Butler Metal Products Limited. *

A Good Investment—5½%

$100 invested in the preferred shares of Wesley Mason Mills Limited earns $5.50 a year in dividends.

A leader in its field, this large and growing company is a manufacturer of nationally advertised quality silk and artificial silk fabrics as well as a producer of popular priced hosiery for men, women and children.

It has able and aggressive management, an impressive record of growth and ample security to offer to buyers of its preferred shares.

Every dollar of preferred stock is represented by nearly two dollars worth of up-to-date factory buildings, modern textile machinery and other valuable assets.

Last year, after meeting all expenses and prior charges, this company earned over $50.00 on each of its preferred shares—more than nine times the amount required to meet the annual dividend of $5.50 per share.

If you would like to have all of the latest facts and figures about Wesley Mason Mills Limited, send for our descriptive literature on this progressive company. This information will show you why we recommend its 5½% preferred shares as a real investment buy.

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QUEBEC QUE. MONTREAL QUE. LONDON ONT. WINNIPEG MAN. VANCOUVER B.C.

A GROUP OF COMPANIES CONDUCTING BUSINESS ONLY THROUGH REPUTABLE LICENSED AGENTS AND BROKERS

MANAGED INVESTMENT

Aluminium, Bldg. Products Bought For Compton Fund

As a result of the recent market decline, Mr. Compton has been able to make his first stock purchases in a current buying program. Funds were obtained from sale of $400 of Dominion of Canada 3% bonds.

The Compton Fund Transactions

PURCHASES

No. of Shares	Security	Price	Amount
5	Aluminium Ltd., com.	$49	$246.50
5	Bldg. Prod., com.	28	141.50
			388.00

SALE
$400 Dom. of Can. 3% bond, 1962 .... $101.125 *$408.41
*Includes $3.91 in accrued interest.

Compton's Manager Says:

Stock market sentiment both here and in the United States remains momentarily bearish. This is due in part to further reductions in the price of lead, zinc and copper. Consequently values on the Canadian stock exchanges dipped sharply during the week ended May 28. As a result Mr. Compton was able to complete his first purchases in the current buying program for his account; they were five shares of Aluminium Ltd. common and five shares of Building Products common.

Funds to pay for these two stocks were obtained by the sale of $400 Dominion of Canada 3%, 1962 bonds at $101.125, plus accrued interest of $3.91. Mr. Compton's prospective annual income has been increased as a result by $9.75 during the period ended May 28 to a new high level of $841.70.

As between Dec. 15, 1944, when Mr. Compton's account was taken over and May 28, 1949, the following is the broad change in the position of the account.

	Dec. 15, 1944 Principal Amount	May 28, 1949 Principal Amount
Bonds	$	$2,467.60
Preferred	925.00	4,767.50
Common	6,661.25	5,044.41
Mining	1,750.00	1,413.50
Cash	663.75	56.47
	$10,000.00	$13,749.48

Stelco Starts On Production Pipeline Steel

Production of 67,000 tons of special steel plate by Steel Co. of Canada for Imperial Oil's projected pipeline from Edmonton eastwards towards newer markets started with the touching of a button by Hon. Colin Gibson, Minister of Mines & Resources, in Hamilton this week.

The order, the largest plate order Stelco has ever received, will take 10 months to complete and represents 8%-9% of the company's steel making capacity over that period.

The finished plate, known as "skelp," will be shipped at the rate of 200 carloads a month to Page-Hersey Tubes Ltd., Welland, Ont., where, in a new pipe mill now being built, it will be made into 16-in. pipe for the line. The mill will be in operation by late summer or early autumn.

Only about 7,000 tons of the plate used for the pipeline will be withdrawn from the Canadian market, since 40,000 tons of steel is being imported from the United Kingdom and 19,200 tons from the United States to replace tonnage needed for the pipeline.

The 450-mile Edmonton to Regina line is the first step in providing an outlet for growing oil production in Alberta where wells now are on restricted outputs. Extension of this line to the head of the Great Lakes in the near future is a development which Imperial Oil is pursuing actively, according to H. H. Hewetson, chairman of the board. This would mean further orders for steel and pipe.

Nat. Sewer Pipe To Pay Div'd

After waiting over 15 years, class A shareholders of National Sewer Pipe Co. will receive a dividend and an indication that further payments are likely.

In a letter to shareholders, President Ryland H. New states: "Now that the profit and loss deficit has been removed and the company has shown satisfactory earnings for a short period, your directors, at a recent meeting, declared a dividend of 60c a share on the class A shares, same to be payable on June 15, 1949, to shareholders on record May 31, 1949. The directors hope to be able to continue quarterly dividends at this rate."

Volume of production and sales and the net margin of profit for the six months ended April 30 have shown varied gains over the same period of the preceding year, Mr. New states. However, due to present uncertain conditions, including recent reduction in the backlog of orders, any prediction of operating profits for the current year would be unwise and of little value, he adds.

Cumulative dividend arrears on the class A shares amounted to $1,016,016 or $36.60 a share at March 15, 1949.

"Prospective earnings of the company, with relation to cash requirements for regular class A dividends, plant extension and continued rehabilitation of the company, make it unlikely that these arrears can be paid off in cash for many years. Therefore, a compromise or arrangement between the company and its shareholders is a matter which is still under consideration by the directors, in the hope that a plan may be devised which will be mutually acceptable," Mr. New states.

During the past several years, directors have considered various plans of reorganization but so far it is apparent that none of the plans considered would receive the required support of both the class A and common shareholders, he states.

E. PATERSON, C.A.,

of Maclean-Hunter Publishing Company Limited, has been elected president of the Toronto Chapter, Institute of Internal Auditors, Inc.

Pulp Sales to U.S. Down Sulphate Demand Jumps

MONTREAL (Staff) — Exports of Canadian woodpulp to United States declined approximately 12% in volume in the first three months of 1949 from the same period a year ago. Dollar value of pulp exports to all countries dropped about 3% or roughly $2 millions to $46.2 millions.

Brightest feature in today's sombre pulp picture is the impressive gains chalked up in the bleached sulphate field. Reversing the over-all down trend in pulp exports, sales of bleached sulphate to United States jumped 45% in the first quarter.

Canadian pulp producers are also taking heart from the fact that while U. S. purchases from this country were down only 12% over-all U. S. pulp imports dropped off 35%.

This, of course, means that the decline in the sales of European pulp in United States has been much greater; that Canadian pulp has been underselling North European pulp in Europe, with substantial sales having been made in Bizone Germany as well as other continental countries. European producers cite Western Canadian pulp mills as offering particularly stiff competition in the matter of price.

Bleached Sulphate Gains

Increase in the exports of bleached sulphate holds particular significance for the Canadian industry. It is in this field that some of the greatest advances in productive capacity have occurred. From 1939 to 1950 sulphate pulp capacity will have jumped from about 292,000 tons to close to one million tons, and of this increase more than 60% is in bleached sulphate.

This part of the pulp industry has expanded rapidly, gaining impetus during the war. Off to a late start, pulp men say that sulphate is only now attaining its rightful place in the world's pulp production. Bleaching of sulphate has made rapid strides in recent years. Cost of bleaching sulphate is somewhat higher than for sulphite but this extra cost is largely offset by the lower costs of making unbleached sulphate. Thus, cost of the end product of bleached sulphate is approximately the same as for sulphite.

Bleached sulphate is offering competition to sulphite for a number of products, such as bond, cover, waxing, parchment, wrapping and bag papers. It is also used in paper toweling, tissues, fine papers, book papers, etc. Sulphate is taking the play away from sulphite in items where extra strength offers an improved end-product.

Here is a comparison of first-quarter pulp exports to U. S. with the corresponding period of 1948:

	1st Quarter 1949 Tons	1948 Tons	% Decrease
Unbleached sulphite	76,356	114,016	33
Bleached sulphite	105,404	114,507	8
Unbleached sulphate	36,150	38,169	5
Bleached sulphate	73,776	50,617	45*
Groundwood ...	42,885	61,219	30
	334,571	378,528	12

*Increase.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

VIRGINIA DARE LTD. 1948 net profit was off narrowly at $70,797 ($79,294). Sales for the first four months of 1949 are up 5.57% over same period of 1948. It is expected that sales for the remainder of the current year will be maintained at a "reasonably high level."

During the year, four company stores were re-located, all of which now are modernly appointed and provide larger space. Two new stores were opened, one in Orillia and the other at 3004 Bloor St. W., Toronto. There are presently 23 stores in operation.

INCOME ACCOUNT

Years Ended Dec. 31:	1948	1947
Net earnings	$144,189	$145,765
Less: Depreciation ...	30,761	11,640
Prov. for taxes	42,631	56,311
Add: Prof. on assets .	......	1,480
Net profit	70,797	79,294
Less: Pref. divds.	20,001	20,001
Common divds.	20,000	40,000
Surplus for year	30,796	19,293
Earnings per Share and Dividend Record:		
Preferred	$4.42	$4.96
Paid	1.25	1.25
Common	1.02	1.19
Paid	0.40	0.80

CONDENSED BALANCE SHEET

As at Dec. 31:	1948	1947
Cash	$274,407	$316,697
Investments†	69,365	173,388
Accts. rec.	23,108	1,188
Inventories	290,424	218,414
Total curr. assets ..	657,304	709,687
Prep. exp.§	3,476	4,498
Misc. assets▲	139,306	103,707
Fixed assets*	187,426	21,567
Total assets	887,512	839,459
Accts., etc., pay.	166,351	139,047
Taxes pay.	16,500	26,547
Total curr. liabs. ...	182,851	165,594
Capital stock	410,000	410,000
Earned surplus■	294,661	263,865
*After depr. of	54,085	51,503
†Market value	67,000	172,325
▲Incl. ref. EPT	31,508	53,324
■Incl. ref. EPT	45,462	53,324
§Incl. in curr. assets in co's report.		
Working capital	474,453	544,093

DOMINION STORES LTD. net profit of $1,304,389 for the fiscal year ended March 19, 1949 was up 47.7% from the previous year's $883,016, due mainly to the increase in business volume.

Total sales were at a new peak of $62,779,383, and up 17.4% over the previous year despite a decline in the total number of retail outlets from 228 to 221 during the year. Much of the sales gain is a result of new customers and new business through the investment and establishment in recent years of a number of modern Dominion Master Stores in communities where careful analysis has indicated the need for such stores, President J. William Horsey states.

Within the last five fiscal years annual sales have increased from $27,655,078 in 1943 to $62,779,383 in 1948, or 127%, whereas the number of retail outlets have been reduced from 251 to 221, Mr. Horsey notes.

Cash resources are much higher, notwithstanding the repayment of a $1 million term bank loan and substantial capital expenditures covering the acquisition of a number of land sites for future development, the purchase of new equipment for new markets and the replacement of equipment in continuing stores, Mr. Horsey points out. It was accomplished by reduction of inventories to minimum consistent with good business judgment, re-investment of the major portion of earnings and liquidation of certain properties and retail buildings upon which company had advanced all construction costs.

Company's Dominion income tax returns at the end of 1944-45 fiscal year have now been assessed by the Department of National Revenue.

INCOME AND SURPLUS ACCOUNT

Years Ended:	Mar. 19 1949 $	Mar. 20 1948 $
Gross sales	62,779,383	53,492,224
Total net earnings ...	2,416,630	1,873,839
Less: Deprec.	210,839	141,698
Emp. pension	73,241	79,632
Note int.	18,161	493
Income tax res.	810,000	769,000
Net profit	1,304,389	883,016
Less: Com. divds. ...	466,535	432,632
Surplus for year	837,854	450,384
Earnings per Share and Dividend Record:		
Common	$4.19	$2.86
Paid	1.50	1.40

CONDENSED BALANCE SHEET

As at:	Mar. 19 1949	Mar. 20 1948
Cash & Dom. bonds ..	$1,502,670	$652,470
Accts. rec.	181,900	166,463
Prop. sale rec.	165,940	......
Inventories	3,018,172	3,799,044
Total curr. assets ..	4,868,682	4,617,977
Prepaid exp.§	59,589	125,981
Misc. assets▲	258,240	286,001
Fixed assets*	3,370,723	3,697,667
Total assets	8,557,284	8,727,626
Accts., etc., pay.	1,534,619	1,619,917
Taxes	598,216	553,914
Total curr. liabs. ...	2,132,835	2,173,831
Notes pay.	......	1,000,000
Capital stock	3,607,965	3,575,215
Surplus▲	2,816,434	1,978,580
*After depr. of	1,299,166	1,184,699
▲Incl. ref. EPT	258,239	286,000
▲Incl. ref. EPT	364,154	379,762
§Included in curr. assets in co's report.		
Working capital	2,735,847	2,444,146

Bathurst P&P Cuts Output, Export Price

MONTREAL (Staff)—Bathurst Power & Paper Co. has curtailed production due to general market conditions, President R. L. Weldon stated in the quarterly report. To meet competition, the company reduced the export selling price of its unbleached sulphite pulp by approximately 6%.

Net profit for the first quarter of 1949 totalled $429,216 an increase of 1.4% over last year. This is equivalent to earnings of $1.07 per share on the class A after participation. It is pointed out that the first quarter earnings do not reflect the result of the reduction in the export price of pulp which became effective on May 1.

Estimated net earnings of Bathurst before depreciation, depletion and income taxes was $901,675 for the quarter, an increase of almost $70,000, over last year. However, provision for depreciation and depletion was up $10,906 and income tax provision was $52,425 higher than the three month period of 1948.

Current assets as of March 31, 1949, including $3.5 millions of cash and marketable securities totalled $10.4 millions and current liabilities were $2.3 millions.

ALUMINUM CO. of CANADA had total of 559,379 4% cumulative redeemable preferred shares outstanding at May 25, 1949.

We, as principals, offer

PROVINCE OF NEW BRUNSWICK

3¼% SINKING FUND DEBENTURES

TO MATURE MAY 16, 1957

PRICE: 99.50 AND INTEREST TO YIELD 3.32%

BELL, GOUINLOCK & CO.
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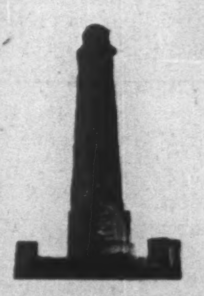
ESTABLISHED 1920
MONTREAL TORONTO WINNIPEG



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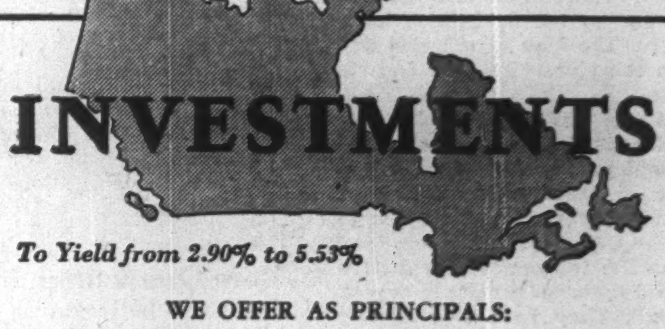
CHAMBER OF COMMERCE

JOHN F. LANG ROBERT BIGELOW, K.C. J. C. ELDER

At the recent quadrennial meeting of The Independent Order of Foresters, held in Toronto, May 17-18 19, the following officers were elected to serve throughout the next four years. John F. Lang was elected General Secretary of the Order; Robert Bigelow, K.C., was named as First Vice-President and J. C. Elder was elected General Treasurer. *



INVESTMENTS

To Yield from 2.90% to 5.53%

WE OFFER AS PRINCIPALS:

	Rate	*Maturity*	*Approx. Yield*
Dominion of Canada	3%	1966	2.90%
Province of Quebec	3%	1965	3.05%
Ontario Hydro-Electric Power Comm.	3%	1967	3.06%
Province of New Brunswick	3¼%	1957	3.32%
Canadian Oil Cos.	3¼%	1962	3.32%
Canada Steamship Lines	4%	1966	3.88%
Traders Finance Corp.	4%	1964	4.00%
Moffats Limited	4½%	1964	4.40%
Odeon Limited	4¼%	1963	4.50%
Columbia Cellulose Co.	5%	1968	4.80%
Power Corporation of Canada	6%	Cum. Preferred	5.53%

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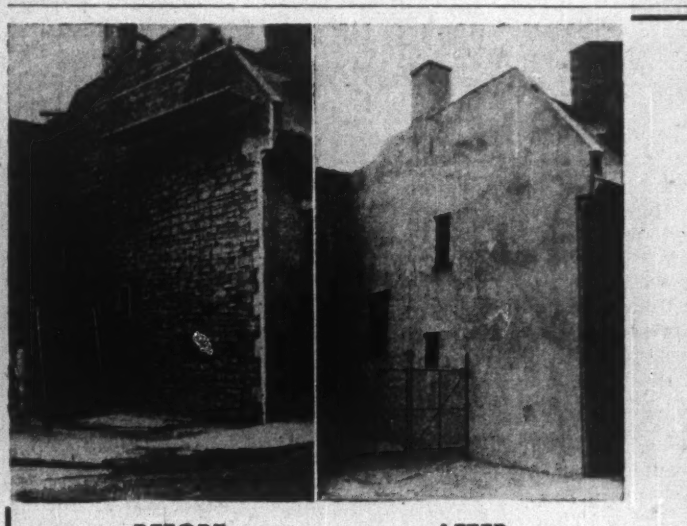
Telephone Elgin 6146



BEFORE AFTER
1200 BENOIT ST., MONTREAL

COMPLETELY RESTORED
...with GUNITE!

These pictures show the appearance of a stone wall which has been Gunited to restrengthen it, seal it from driving rain, reduce heat loss and generally restore it to better than new condition. Close inspection of the "before" picture will reveal the mesh reinforcing which we usually recommend for such work. The Gunite in this case was applied in two coats of approximately 1" each, screeded to line and finished with a wood float. The result is an enduring and satisfactory wall which will not scale off as is the tendency of hand applied mortar. Gunite, being pressure applied, drives into and fills all open joints between the masonry. There was no practical way to obtain these results except by our methods. Ask for our quotation when considering any concrete or masonry repairs.

Illustrated booklet available

GUNITE AND WATERPROOFING
LIMITED
Toronto MONTREAL Halifax
Incorporated 1931

When the Army Buys Onions

One would naturally suppose that shopping for the army would be a bit more complicated than for an average family. But not until the Appropriations Committee of the House of Representatives at Washington got busy was the tremendous scope of these complications revealed. This is the place, surely, where bureaucracy and red tape flourish to perfection.

The United States Army decided to buy some dried onions.

The Quartermaster Corps in Washington sent a "purchasing directive" to its office in Chicago. And what happened then has been shown on a chart prepared by the investigators of the Committee.

It shows that the order for onions went through 288 separate steps before the deal was completed. It passed through 18 sub-divisions of the purchasing office, 10 copies of it were distributed, each of them carried by messenger and acknowledged by signed receipt. It was given a code number. It was tabulated. It was filed. It was entered on something called "Master Purchase Directive Commodity Index." Its details went on a card index. It was entered on a "Purchase Directive Progress Record," which was probably very necessary by this time, for it was the 83rd step in the treatment.

Before the 288th and final step was reached, the order had been handled by messengers 110 times. It took six weeks before a contract was prepared, and its approval was the 137th step; so it's a fair guess that it took another six weeks to pay the supplier.

And the committee investigators don't even bother to show when the Army got the onions.

When shown the chart, the U. S. Quartermaster-General remarked rather conservatively: "A chart of that kind would reflect what appears to be lost motion." Most of the clerks and bookkeepers and stampers and filers and approvers and forwarders and copiers who were asked what they were doing professed to have no idea why it had to be done. They simply said: "Someone said it had to be done this way."

The buying of onions in 288 steps looks at first sight like a vaudeville gag. But it is in fact the recognized method of procedure, and the salaries and wages of all the petty officials involved in this unbelievable web of red tape are paid by the American taxpayers.

It would be nice to think that that sort of thing doesn't occur when the Canadian Army sets out to buy onions. But the million-odd Canadians who have had inside or outside experience with that branch of the service in two World Wars will be sceptical. They will remember that it was a pretty complicated business to get a spare button or a pin or even an extra cartridge. and that was in wartime, when routine was supposed to be streamlined.

This Strike Settled Nothing

With hardly a whisper of protest from labor, we have just witnessed a tragic, costly example of trade unionism at its irresponsible worst. It was the month-old AFL Laborer's Union strike in Toronto. Until it ended last week with nothing settled, it had paralyzed $80 millions worth of work on industrial and commercial buildings.

Even the union admits wages and working conditions were not involved—only the issue of a form of closed shop. The union wanted employers to agree to make all laborers join up within 30 days.

In this case, the Laborer's Union had no right to demand it because it didn't have a majority signed up and couldn't win certification under a government-conducted vote.

The Toronto Builders' Exchange, representing employers, refused to negotiate with a minority group, as it had a perfect legal and moral right to do. Quite reasonably it told the union to get certified first then come back and talk contract.

Instead, the union tried to muscle its way in through the back door. It declared a strike hoping to bring employers to their knees, then under the contract, force men to join a union they couldn't be persuaded to join.

Bricklayers, carpenters and other skilled tradesmen in unions which have binding contracts with the Exchange, held to tradition and refused to cross the Laborer's picketlines. Sanctity of contract, which is one of the principles of AFL unionism, meant nothing.

Thus, a union which had neither legal nor moral status, was able to bring a halt to virtually all industrial construction. For four weeks not a hod was lifted nor a brick laid.

Here then, at its worst, was union irresponsibility coupled with the law of the union jungle, might over right and to the devil with labor laws and procedure. The club of coercion and boycott had taken the place of reason and responsibility.

Last week the strike was called off. Not one point had the union gained. Instead it agreed to do what the employers had proposed in the first place—have a government-supervised vote to see if a majority wanted the union to represent them.

In the meantime the workers involved have lost several hundred thousand dollars in wages. But that is not all. They have lost heavily also in general good will.

With construction costs already two or three times the prewar level and actual production per man hour usually a good deal less, the public is in no mood to waste any tears over anything that will send costs still higher.

Costly Restrictions

There may be some undisclosed reasons for forbidding the erection of a Quonset hut as temporary storage quarters in a downtown Toronto school yard. On the surface, however, it looks like trotting out the old restrictive building by-laws again.

Almost entirely of steel, these war-type buildings would certainly be far more fireproof than the wooden portables that Toronto continues to use anywhere where school attendance has suddenly increased. Of course construction of the wooden portables involves far more costly hand labor, a factor that applies also to many of the outdated building by-laws of Toronto and several other municipalities.

For years Toronto has been shouting to high heaven about its inability to provide decent housing for its citizens. Yet the city fathers seem to have done their level best to discourage and prevent the introduction of new materials and processes which would make building cheaper and in some cases actually more efficient.

For Women Only

The story that women aren't interested in finance seems to be as untrue as the story that women can't drive cars. More than 300 Toronto women coming from every section of the city, accepted the invitation of Wood, Gundy and Co. (reported on another page) to a couple of lectures on investment. Apparently most of them were housewives; professional women cannot easily get away to listen to lectures at 2.30 in the afternoon. And if Canadian women follow the pattern set in United States cities where financial lectures "for women only" have been tried, the married women are the most numerous.

This idea started in San Francisco, and has also been tried in Salt Lake City and Washington. Here there were courses of eight lectures. The Toronto course is at present limited to two. Nor was it a case of "finance without tears." After each lecture the women were given some homework: a series of booklets starting with "How to read a financial report," and going on with "How to invest," "security and industrial survey" and "What everybody ought to know about the stock and bond business."

The Toronto women students will get away with less homework; but they will have plenty of chance to ask questions and to pursue their studies as much farther as they feel inclined. A partner in the U. S. firm which started this idea commented: "A man never thinks of boring his wife by telling her about these things. But the women will go home and tell their husbands all about it." And the husbands had better know the answers, too.

Time to Clean House

It would be interesting to know what Mr. Coldwell and his lieutenants think of the action of the British Labour party in expelling two members who have consistently opposed the party's foreign policy. That in itself might not have got them expelled from the party; it is a long and valuable tradition of democratic parties to allow a good deal of latitude for personal views. But what could not be overlooked was that the criticisms of Messrs. Zilliacus and Solley always happened to follow the Moscow line.

When the two members came out flatly and openly against the Atlantic Pact, when they declared that the pact was an invitation to war rather than a safeguard for peace, the long-suffering party leaders called a halt. There came a point at which they were not prepared to tolerate support of the Communist line within the Labor Party.

Such a point has apparently not yet been reached in the CCF. How much farther do our Canadian Communists have to go before the CCF will recognize them for what they are? It is not enough, apparently, to oppose the Atlantic Pact and to echo the words of Moscow on other questions. An influential group of CCF supporters in British Columbia and others from elsewhere have done that again and again; and all Mr. Coldwell does is issue a statement of repudiation, a statement so gentle that the Moscow-line CCF-ers feel no doubt but that they are still welcome in the party.

While the CCF continues to harbor Communists, it has no reason to be surprised or offended if Canadians continue to regard it with the greatest suspicion. No one will pay much attention to its declarations of hostility to Communists until it is prepared to prove it by action.

More Competition in Food Export

We would be making a serious and foolish mistake to blame currency difficulties entirely for the decrease in our food exports to Great Britain. Another potent reason, that has not received nearly the attention it deserves, is the increase in domestic food production in Great Britain. That point was well emphasized by Agriculture Minister Gardiner during the last session of Parliament. He cited the case of apples.

Before the war Canada was a big exporter of apples to the United Kingdom. Of total imports of approximately 7 million hundredweights, Canada supplied almost a half. Now there is an embargo against us. But this did not mean that the people of the United Kingdom were doing without. Their own orchards, extensively enlarged before the war, are producing far more apples than ever before. True these are largely of the cooking and cider type, but they are apples just the same.

British farmers are also expanding output of other foods that interest Canadian producers. There have been big gains in bacon, eggs, and dairy products. Moreover the British government is turning to new sources of import supply, too. The recent barter deal with Poland, whereby Britain expects to get huge supplies of bacon and eggs, is one example. Another is the development of new colonial food areas in Africa.

This development does not necessarily mean that Canada is going to be squeezed out of the British market completely. We have certain advantages there that won't be easily offset. Our produce is well and favorably known and we are much the nearest overseas supply.

But we may as well prepare to meet stiffer competition. More than ever it is important that we endeavor to produce the highest possible quality and at the lowest possible cost.

"May I Interrupt"

"More than 90% of radio commercials and 50% of radio programing is sheer waste," Horace Schwerin, radio research head told a Chicago audience. That conclusion may come as a surprise to those who foot the bills, but not to the long-suffering public.

No person in his right mind would expect a concert audience to put up with a performance studded every few minutes with a boost for somebody's soap, patent medicine, motor fuel, or what-have-you. Even a free concert in the park wouldn't attract many people under those conditions. Yet when it comes to radio, many sponsors seem to think that this sort of thing is actually appreciated. It's too bad they couldn't see the faces of the listeners when the music fades and the loud voice cuts in with "May I interrupt the program to say a few words about . . ."

Napier Moore's Scratch Pad

A DEEP THINKER once said that when a man gets beyond middle age he begins to feed on memories.

In our case we are developing an uneasy feeling that we're going to be under-nourished. For, day by day, the March of Progress is ruthlessly stamping out links with a pleasant past.

Now we read that in Vancouver this will be the last year the B.C. Electric Company will operate its open-air observation streetcars. The reason given is that streetcar lines are being rapidly torn up and the observation cars cannot reach many sections of the city.

Those observation cars have been running since 1909. And to a lot of ex-Vancouverites, including ourself, their disappearance will be equivalent to the filling in of the old swimming hole, the closing of Niagara Falls to honeymooners, or the razing of When-You-and-I-Were-Young Maggie's mill.

In the days when private automobiles were a somewhat smelly symbol of wealth, when a bus was a battered thing called a jitney, and when an airplane was a rare, flimsy contraption flown only by madmen, the open-air electric observation car provided a thrill and a touch of grandeur, with comfort, safety and economy.

On balmy holiday evenings, dashing young cavaliers would treat their girls to the Grand Tour. Seated away up on the top tier, under an arch of colored light bulbs, they could look down on their less fortunate fellows as their Wagnerian chariot swept along the quiet streets.

Ah, what a night! And all for a quarter.

• • •

OUR SYMPATHIES flow to the unknown and doubtlessly unhappy member of the staff of the United Kingdom Information Office in Ottawa who issues press releases to Canadian publications.

The other day we received an item reporting an English ceremony commemorating the 121st anniversary of the death of Captain George Vancouver—"whose name is perpetuated in the capital of British Columbia."

The mistake must have been quickly detected at the source, because a correction galloped in the very next day, and it is hardly likely that stunned Victoria editors recovered from so severe a shock in so short a time.

The correction said, "This, of course, should have read '. . . in the largest city of British Columbia.'" But the gremlins were still hiding in the U.K. Information Office typewriter. For the concluding words were, "We forgot this error."

• • •

STUDENTS AT OTTAWA'S CARLETON COLLEGE have a high opinion of the teaching staff. So a piece written by Clarence Metcalfe for Vista, published by the fourth year journalism class, is merely indicative of research and is not to be construed as propaganda.

It tells how, 700 years ago, students at the University of Paris organized a union, made rules to which the unorganized body of lecturers was forced to adhere.

One rule was that if a professor, because of uncertain lecturing ability or personality, was unable to entice more than five students to a lecture, he must refund the cost of that lecture to those attending. Another rule provided that a professor leaving the campus for a day must leave a deposit to ensure his return. And he was allowed only one day for his honeymoon.

The students, many of whom came from distant parts of Europe, had an unquenchable thirst for learning and little money. They wanted to get their training in the quickest and cheapest way possible.

• • •

THE DOMINION TRAVEL BUREAU, reporting on some of the unusual requests it receives, quotes "Would you please send me a list of all nudist camps in Quebec, since six carloads of nudists want to visit Canada."

We hope they'll wait till it's a little warmer.

Stop Me If—

Writer: "How much board will you charge me for a few weeks while I gather material for my new country novel?"

Hiram: "Five dollars a week unless we have to talk dialect. That's three dollars extra."

• • •

A spinster received and accepted a proposal of marriage. Then she began worrying about her false teeth—she hadn't mentioned them to her future husband. So she asked her doctor what she should do—tell him or not.

The doctor replied, "Get married and keep your mouth shut."

• • •

A city editor was instructing a new reporter on the art of writing for the newspapers.

"There are two words which you must never use in your reports," he said. "One is nice and the other, lousy."

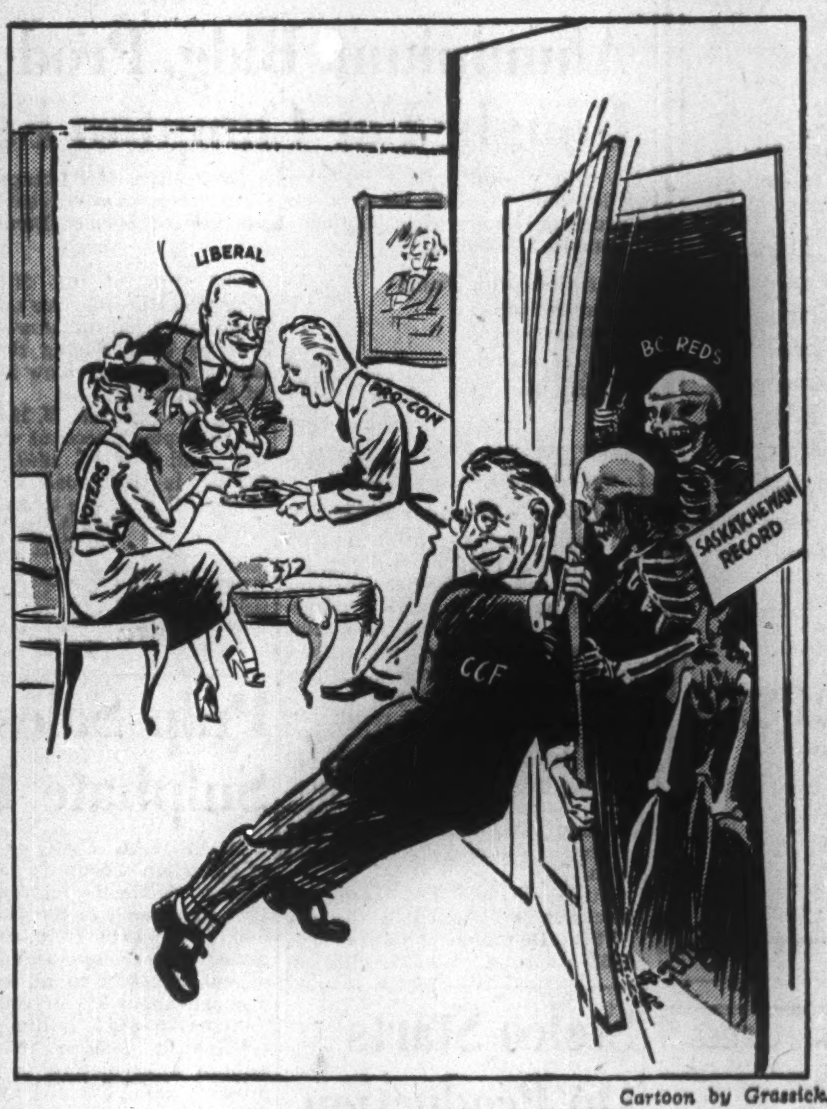
There was a pause, then the reporter replied, "Well—what are the two words?"

• • •

Their cars having collided, Jock and Pat were surveying the situation. Jock produced a flask and offered Pat a drink. Pat drank and Jock returned the bottle to his pocket.

"Thank-ye," said Pat, "but aren't ye going to have a bit of a nip yourself?"

"Aye," replied Jock, "but not until the police have been here."



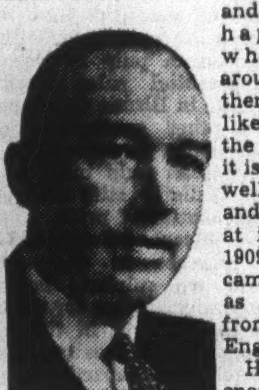
Cartoon by Grassick.

AWKWARD GUESTS, MR. COLDWELL.

Post Scripts

Dairy Enthusiast

W. Frank Jones, the new president of the Borden Company of Canada, is responsible for 49 plants scattered between Nova Scotia and the prairies, and he's never happier than when he is around one of them. Mr. Jones likes dairying to the point where it is his hobby as well as his work, and he has been at it ever since 1909 when he came to Canada as a lad of 17 from Shropshire, England.



MR. JONES

He earned enough money working on dairy farms to pay his way through the Ontario Agricultural College, where his course was interrupted by the first world war. Gunner, and later Sergeant, Jones served overseas and came back to his studies, spending his vacations working in dairy factories. His first permanent jobs were in government service, first with the Ontario Government's inspection service and then, in 1924, as chief of the Division of Dairy Manufactures in the Dominion Department of Agriculture.

Private industry claimed him in 1928, as technical adviser to the Chateau Cheese Co., then as Vice-President of Laurentian Dairy Ltd. These firms joined Borden's a year later, and he moved to another new Borden subsidiary, the Ottawa Dairy Ltd. as General Manager. In 1944, Jones became a director and vice-president at Borden's head office in Toronto.

The Jones hallmark is his pipe: you seldom see him without it. Hobbies, he says, should be relaxing, and he refuses to put into golf or curling (his two favorite sports) the drive and concentration which belong to his work. So he thinks he's lucky if he gets round the golf course in less than 100, and though he has curled for 20 years he still plays in the junior position on his team.

He's a keen reader, and his favorite literature is the trade press dealing with dairying.

• • •

CDNA President

Recently elected president of the Canadian Daily Newspapers Association, A. F. Mercier, of Quebec, a director of the Canadian Press, never thinks of himself as a hyphenated Canadian. He is typical of a new generation of French-speaking business executives.

Born with the century in Buckingham, Que., near Ottawa, he studied there at St. Michael's College and then specialized in higher accountancy and business management at Queen's University and New York's Alexander Hamilton Institute. Before working for a short time for the Banque Nationale (now merged with the Banque d'Hochelaga to form the Banque Canadienne Nationale), he was a teacher for two years.

MR. MERCIER

When leaving the bank he became accountant of the "Compagnie de Pulpe de Chicoutimi" and treasurer of several related companies which eventually became independent. But Fate would have him in the newspaper business. He soon became president of a syndicate operating "Le Progrès du Saguenay," a weekly paper published in Chicoutimi. With him at its head, it was almost inevitable that it would become a daily. Then he switched to "L'Action Catholique" in Quebec. That was in 1932 and the paper's circulation was 20,000. It was 50,000 when Mercier transferred his energy and ability to "Le Soleil" and "L'Evenement-Journal" in 1937.

Mercier invariably shares with his staff the credit for achievements for which he is primarily responsible. Now over the 100,000 mark, Le Soleil's circulation is more than double what it was in 1937. So is its national and local advertising linage. And the gross income of Le Soleil's publishing company has almost trebled since 1937.

Mercier's interests are broad. He's a governor of the School of Commerce of Laval University; an ex-president of Quebec City's Board of Trade; during the war he was an active member of the Publishers' War Finance Committee and first chairman of the Quebec Sea Cadets. He was at one time mayor of Lac Sergent, a summer resort, and alderman of Sillery, Quebec's equivalent of Westmount or Forest Hill Village.

A vice-president of the Quebec Automobile Club and its insurance company, secretary of "Le Nouvelliste," Three Rivers daily paper, Mercier is also a member of Quebec's Garrison, Reform, University, Press and Kiwanis clubs and also of the Royal Quebec Golf Club. A man of many hobbies, he particularly enjoys fishing, swimming, gardening and curling.

• • •

Hotel Association President

Twenty-four years ago, a slim-built youth of 18 walked into the Nickel Range Hotel, Sudbury, Ont. and asked for a job. He worked there until 1931, gradually moving up the ladder of success, taking over various jobs to learn the hotel business inside and out. So well did he learn, that six years after accepting his first hotel job he was appointed manager of Kapuskasing Inn. Today, at 42 years of age, Dalton J. Caswell is the fifth president of the Hotel Association of Canada.

—Nott and Merrill.

MR. CASWELL

While he was manager at Kapuskasing, he took time out to attend Cornell University, where he studied hotel administration for two years. He is a member of Cornell Society of Hotelmen. Caswell remained at Kapuskasing until 1940 when he moved over to the management of the Empire Hotel, North Bay, Ont., where he stayed for two years.

He then went into business for himself, taking over ownership of Hotel Bernard, Sundridge, Ont. which he operates on a year around basis. although he caters heavily to the tourist trade in the summer months. Three years after taking over Hotel Bernard, he accepted the presidency of the Hotel Association of the Province of Ontario, a position he held for three years. So interested was he in the hotel industry, he spent considerable moneys of his own and traveled some 40,000 miles on highways and byways of Ontario furthering its cause. While he was doing all this traveling, his valued partner (he calls her his co-operator) helped build Hotel Bernard into one of the finest hotels north of Toronto.

He married his co-operator, Viola Mae, day before Christmas in the year of the big crash, 1929. He has two boys, Dalton Kenneth, 16; and David Borden, 10. Besides his hotel activities, he takes a keen interest in local affairs. He is charter president of Sundridge Lions Club; president of Sundridge Red Cross Branch and is in his second term as Reeve of Sundridge.

What Others Are Saying

Editorial of the Week

Do We Want Another Ride?

Vancouver Province

The CIO's executive board, meeting in Washington, has concocted a dangerously incongruous statement of policy.

It expresses grave concern over increasing unemployment and calls loudly for price reductions and "immediate wage increases."

Presumably it is convinced that if there can be another round of wage increases there will be more purchasing power, bigger sales, greater production and more jobs.

But will it work out that way?

It is hard to believe that it will. Those who work for wages, and that includes nearly all of us, haven't found it so. Labor is the biggest item in production costs and every time our pay cheques went up so did prices. It usually seemed that our take home pay never did catch up with living costs.

It is hard to believe that higher wages will not mean higher costs. Nobody is going to operate at a loss and it is idiotic to suppose that higher labor costs will not be passed on to the consumer, who is also the wage earner and who will again find himself in need of higher wages.

If we aren't careful we will find ourselves taking another giddy ride on inflation's merry-go-round, the one that operates when wages are chasing prices, or vice versa.

Other People's Views

LIKES HIS POLITICS straight, does the editor of the **Almonte (Ont.) Gazette.** He chides colleagues on the weekly press who will take no sides. "This is the New Look in newspaperdom," he writes. "A few years ago, it was known as running with the hare and hunting with the hounds."

A VAST IMPROVEMENT says the **Truro News** of the new income tax forms. "The forms now in use are a simplification over former ones; and, glory be, we have to file only one instead of several additional copies. Our new friend at the helm at Ottawa has seen the 100% waste of effort and time in the Income Tax Office of handling double the number of forms."

SHOULD SPEND MORE TIME teaching foreign languages in our schools, thinks the **Saint John Times-Globe,** "We are certainly inclined to be neglectful of this side of schooling. How many Canadians can speak and read even one language other than their own with moderate facility? It is true that English carries a man over wider areas of the globe than any other language, but it is still an advantage to speak foreign languages."

NEWSPAPER RIVALRY may have disappeared in some sections of the country but not in southern Ontario. Here is an example from the **Windsor Star:** "The Toronto Globe and Mail accuses us of being 'always fawningly independent of the party in power.' We presume The Globe and Mail is trying to insult us. If so, or even if not, we wish it wouldn't garble the King's English by using a phrase which is either meaningless or contradictory. We had been willing to give our Toronto contemporary higher marks in the art of vituperation. After all, it's had considerable practice."

SECOND BEST SHOULD BE BETTER, declares the **Edmonton Journal** of tourist accommodation. "For a 100 who can afford to seek out and pay for 'the best,' there are 1,000 or two who must be content with the 'next best.' If the thousands can be so pleased as to desire to come back again and again, we shall never need to worry about our tourist business. But keeping the 'next best' up to a high standard means effort and watching the little things all the time, as well as a wise expenditure of money to keep the physical plant attractive and in good repair. And highways —well, they need millions of dollars, but even there it is money well spent."

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June 4, 1949

Are Your Charity Gifts Above Average?

Here's Official Report on Individual, Company Donations

Who gives what to charity? Who gives most and where? And how much is being given in Canada?

A fairly complete answer to these questions can be given. Facts unearthed by an examination of claims for exemption from duty or taxation on account of contributions to private charity show:

1. Charitable giving is at a high rate in Canada today, totaled an estimated $80 millions in 1946.
2. Individual giving accounts for nearly 77% of all donations ($61.4 millions) with 45% of the national charity bill coming from persons with less than $3,000 taxable income.
3. Corporate giving amounts to 13% of total giving, with small companies giving at a higher per cent than larger corporations.
4. Charitable bequests by estates accounted for 10% of the 1946 total.
5. Both corporate and individual giving are at a higher rate in the Eastern and Central provinces than in the West

These conclusions form the highlights of an analysis of taxation statistics prepared for the Canadian Welfare Council by Gordon and Svanhuit Josie and made public at the annual meeting of the Council in Montreal this week.

Here's what the report shows in detail:

Corporation Giving: For companies of all types, charitable donations claimed are at a rate of less than 1% or $7.60 each $1,000 of net taxable income (as against $9.22 in 1944).

Variations between provinces in rate of charitable donations is not great. Companies in Prince Edward Island particularly ($15.16 per $1,000) and in Saskatchewan ($10.27) and Nova Scotia ($10.05) gave the highest proportion to charity. The rate was lower in other provinces, lowest in British Columbia.

As between industries, contributions came at the highest rate from the retail trade in Canada as a whole. The construction industry was second, followed by the finance and service groups. (see table).

In Canada as a whole almost one half (46.7%) of all charitable donations by companies comes from the manufacturing industries which receive 53.1% of the net taxable income.

The manufacturing industries were the greatest source of charity revenue in all provinces except Saskatchewan.

In Canada as a whole, companies of a net taxable income of $100,000 or over received 79.8% of the total net taxable income, claimed 66.6% of the charitable donations of all companies.

Individual Giving: Over-all, individual Canadians gave $1.30 of every $100 of taxable income to charity in 1946.

In Ontario and all the Eastern provinces the rate was over 1%, with a high of 2.42% in Quebec. In all provinces west of Ontario the rate is less than 1% with a low of 0.52% in British Columbia.

The higher the income, the higher the rate of giving. The over-$25,000 a year group, for instance, gave $3.63 of every $100 of taxable income. In the under-$1,000 group it was 81c.

Looking at the effect of tax exemptions on these rates, it is seen that the saving in taxes approximately compensates for the difference in donation rate with rising income.

For example, in 1947 a man whose taxable income was $10,000 could make a 1% donation or $100 for an out-of-pocket cost of $61.50: a man with $1,000 taxable income paid out $7.60 of the $10 he donated to charity if he gave at the same rate of 1%.

Over $36 millions, or 58.9% came from persons with less than $3,000 taxable income.

Donations By Estates: For Canada as a whole and for taxable estates of all sizes the donation rate was 2.10%. Generally the rate increases with the size of the estate. Persons leaving money are most generous in the Maritimes with the rate falling from east to west.

How Companies Give to Charity Across Canada

How much is your company giving to charity? Here's a table showing percentage of income given for companies of various income groups by provinces (Newfoundland excluded since comparable statistics not available):

Charitable Donations per $1,000 of Net Taxable Income by Income Class Canada and Provinces — 1946 Taxation Year

Income Class	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	CAN.
$	$	$	$	$	$	$	$	$	$	$
Less than 1,000	....	37.04	32.26	45.98	35.05	45.98	36.36	25.00	28.67	36.39
1,000— 2,000	....	20.13	32.61	21.12	29.85	39.47	15.63	10.26	16.36	23.72
2,000— 3,000	66.67	12.82	28.04	25.08	17.42	15.38	28.78	14.39	10.14	18.37
3,000— 4,000	47.62	24.89	1.82	18.41	17.44	21.02	20.51	12.82	12.05	17.26
4,000— 5,000	....	9.39	7.25	26.54	14.36	13.89	8.13	13.26	11.16	16.04
5,000— 10,000	22.47	19.73	14.84	19.74	15.00	20.80	18.24	11.94	10.47	15.93
10,000— 15,000	25.97	14.77	12.36	17.73	16.95	20.27	11.00	12.77	9.90	15.68
15,000— 20,000	16.39	10.60	13.92	16.52	13.85	22.10	15.54	14.45	7.50	14.06
20,000— 25,000	50.72	10.86	8.39	16.76	12.11	20.24	14.08	12.52	8.62	13.52
25,000— 50,000	16.83	9.93	13.90	13.75	11.06	16.35	9.80	10.02	7.56	11.63
50,000— 100,000	18.25	12.41	11.79	9.83	9.70	10.90	7.78	7.92	7.58	9.68
100,000— 250,000	8.62	11.02	11.66	7.82	8.77	7.78	13.58	6.43	6.00	8.35
250,000— 500,000		5.86	11.69	5.84	6.53	7.61	5.32	2.35	5.64	6.33
500,000—1,000,000		8.00	5.35	6.53	6.27	8.11		5.07	5.61	6.26
1,000,000—5,000,000										5.87
				5.07	6.81	3.30		6.00	4.33	
Over 5,000,000				5.39	7.58					5.93
Total	15.16	10.05	9.63	7.08	8.11	7.90	10.27	7.46	5.78	7.60

NOTE: Data are for 23,166 companies reporting a profit.

EAST AMPHI GOLD MINES has sold four blocks of 13,750 shares each at 8 cents a share to Howey Gold Mines, Coniagas Mines, Anco & Co. (nominees for Prospectors Airways) and Northern Canada Mines. Issued capital is 2,885,010 shares.

Promote Canadianism Periodical Press Aim

"There continues to be growing recognition of the significance of the national periodicals of Canada, not only as advertising media and as a source of news, information and entertainment, but as molders of the national destiny."

So declared Floyd S. Chalmers, president of the Periodical Press Association in his annual report this week. Circulation of member periodicals totals about 3¼ millions.

"The primary purpose of our Canadian magazines, business papers and farm papers is to increase the efficiency of our people as producers and traders; and to add to the richness and color of their lives; and above all, to promote among our people a spirit of Canadianism," Mr. Chalmers said.

"Publications edited primarily for the people of other countries have, of course, more than a passing interest to the Canadian reader. We are by no means an insular people. Canadians are catholic in their tastes and broad in their wants. They are close in their associations with the United States and intimate in their relations with the other countries of the Commonwealth. They demand the right to choose the best in fact and fiction, in money-making ideas or idle-hour entertainment, wherever they find it. In no other country in the world is the product of native publishers subject to such keen competition from imported publications.

"Each year however the competition of foreign periodicals is less. In the case of farm papers and business newspapers it is already inconsequential for the simple reason that what is urgent news in business and agriculture in some other country is often of very secondary importance in Canada.

Trend to Canadianism

"In the case of magazines, the competition of foreign-edited periodicals for the attention of the Canadian reader has always been more severe than in the case of the farm papers and business papers. But here too, the trend is strongly to those magazines that are edited for Canadians by their fellow citizens. Only a Canadian can understand the inner spirit of our people and provide this nation with literature that lives and breathes Canadianism.

"Canada is not the United States and never will be. It is not Great Britain and never will be. It's Canada. It is because Canadian editors know Canada; because they know what makes the Canadian tick; because they know how to satisfy the tastes and mirror the aspirations of the Canadian people that Canadian periodicals have become the preferred reading of this country and offer an advertising impact that can never be achieved by a publication catering primarily to habits, hopes and tastes of some other people.

"Our association embraces the leaders among Canada's national periodicals. We are entrusted with one of the most important of all aspects of this great national effort of building a nation. It is our responsibility, by the policies we pursue and the leadership we give, to see that our job is well done."

New president of the PPA is R. C. Rowe, president National Business Publications, Gardenvale, Que.

Paper Supply Situation

Improvement in paper supply was reported by Mr. Rowe as chairman of the paper supply committee.

"The improvement in supply, however, was not reflected" he declared "in any price decrease, but a very definite tendency toward softer prices in the U. S. should ultimately result in a similar tendency here.

"U. S. book paper production has dropped to somewhere about 85% of capacity compared with over-capacity a year ago. The trade anticipates further price declines in the near future.

"Observation leads to the conclusion that a somewhat similar condition is in effect in Canada, but, owing to the tighter co-ordination of the industry here, it is doubtful whether any decisive downward movement will take effect until reductions are far more drastic than they are now in the U. S.

"Such decisive downward movements would be the result of serious business recession, and therefore would be a very doubtful blessing. Quality of paper still leaves much to be desired, but it is felt that the remedy for this condition lies in a return to more competitive conditions, rather than in anything your committee can do."

New officers of the PPA are as follows:

TREASURER—Floyd S. Chalmers.

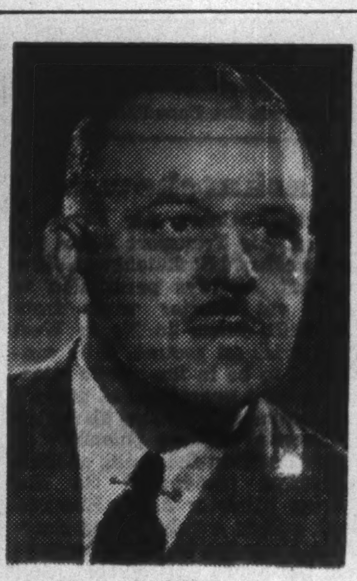
VICE-PRESIDENTS AND DIRECTORS: K. D. Ewart, President, Agricultural Press Assoc.; George Collington, President, Business Newspapers Assoc.; C. J. Laurin, President, Magazine Publishers Assoc.; Roydon M. Barbour, Special Members Representative.

MAGAZINE PUBLISHERS' DIRECTORS: H. Napier Moore, S. G. Myrans, A. M. O'Malley, N. Roy Perry, Chas. Sauriol, Roy E. Tait.

BUSINESS NEWSPAPERS DIRECTORS: A. H. Boyd, A. A. Burrows, N. McHardy, D. M. Gowdy, W. H. Hewitt, E. R. Milling, J. J. Wallace, G. L. White.

AGRICULTURAL PRESS DIRECTORS: John F. Foy, D. V. McLeod, L. H. Meyer, T. J. Tobin, E. J. Weld.

ELDONA GOLD MINES has completed deepening of its shaft below the 1,000-ft. horizon, with new levels established at 1,150, 1,300 and 1,450 ft. with a sump cut below the level. Drives to the ore zone on the 1,150 and 1,450-ft. levels are expected to get underway by June 1. Diamond drilling will be used to explore ahead of the drives and test the main ore zone which is believed to be 300 to 400 ft. southeast of the shaft.



CARL D. DENNIS, JR.,

has joined the Montreal office of McKim Advertising Ltd. as a vice-president.

Nfld. Bases Delay Treaty On Air Rights

OTTAWA (Staff) — Eleventh-hour difficulties over use of bases in Newfoundland as alternate transcontinental airports are expected to be cleaned up here within the next few days.

If this can be done, the important Canada-U. S. air deal concluded at New York last week will be announced immediately.

The Canada-U. S. deal, granting a mutual exchange of air rights to both countries on the east and west coast is considered one of the most important yet made in the history of aviation on this continent. As well, the agreement covers important new rights to both countries on cross-border routes at both Toronto and Montreal.

Long-standing difficulties and differences on both fifth-freedom and cross-border franchises were amicably settled at the recent New York meeting. Everything was going well and an official announcement about to be published when the matter of use of U. S. bases in Newfoundland was introduced. As the Canadians were not prepared to meet the question raised on this point it was necessary to adjourn the conference.

Present hopes are that an amicable settlement of the bases issue can be arrived at within the next few days. If so, this is all that stands in the way of formal announcement of the new rights granted to both countries under the New York treaty.

Tax Details Now Given Every Month

OTTAWA (Staff)—There is an important innovation in the most recent statement of government accounts.

For the first time, a complete breakdown of government revenues from various types of income tax has been published. The intention is to continue to do this each month as the Treasury statements from the office of the Comptroller of the Treasury appear.

The new breakdown, with its indications of where the Government collects its income tax revenues is shown below with comparable figures for April, 1948:

CANADIAN INCOME TAX COLLECTION
(Millions of Dollars)

	April 1949	April 1948
Individuals:		
Deductions at source	35.0	33.4
Other collections	43.8	42.5
Corporations	41.4	39.4
Excess profits	1.9	10.7
Divds., int., rentals, royalties	4.7	3.9
Total	126.8	139.9

The April statement is the first published in many months. Traditionally, the Government omits a March statement because of the "balancing" of accounts which takes place in the last month of the fiscal year.

But this year there have been no statements on the state of public funds issued for several months, although estimated year-end figures were made public in the budget address.

During April, the Government took in $181.6 million and spent $74.8 millions. This gives a budgetary surplus of $106.8 millions against $126.6 millions in the same month a year ago.

In an accompanying press statement, the Government points out that the reductions announced on March 22 have not yet been reflected in government revenues; that full effect of tax decreases will not be seen until June figures are available. It is also pointed out that April is an abnormal month since a large part of expenditures made during the month are charged back into the government accounts for the previous month so as to get them credited against last year's estimates.

Examination of individual items in the April figure shows that excise duty revenues are lower by nearly $4 millions at $16.3 against $20.1 millions in April, 1948. Special receipts (largely sale of war assets, etc.) are down to $500,000 against nearly $8 millions a year ago.

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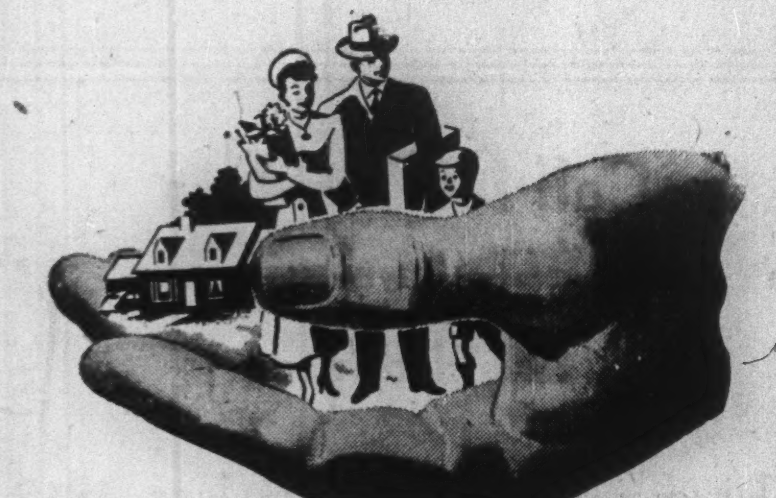

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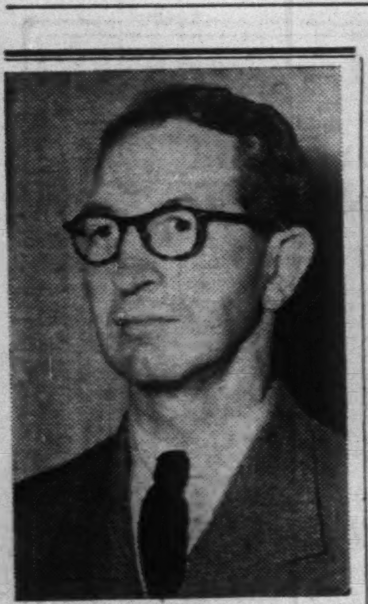
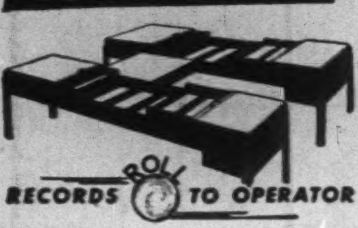


JAMES D. MUNRO

R. H. Edgell, Vancouver Island, vice-president of Yorkshire & Pacific Securities, Limited, has announced the appointment of Mr. Munro as manager of its investment securities department. Mr. Munro has been engaged in the investment business in Victoria since 1932. *



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Provincial Roundup

Significant events in public affairs and business in the Canadian provinces

Newfoundland

Session Opens June 24: First Legislature of 10th province will meet June 24, victorious Liberal Leader Joseph R. Smallwood announced right after Friday's election. He won a personal victory in Bonavista North, about 7-to-1 over his Progressive-Conservative opponent, J. M. Way. Although not wholly unexpected, Grit victory in Newfoundland's first election as a province generated some gloom in federal Prog-Cons. party circles, though most said it had little bearing on federal election prospects.

Homes for Vets, Soldiers: Reconstruction Minister Robert Winters in a three-day federal election tour told a press conference in St. John's: "We want to build houses in Newfoundland for veterans, and married quarters for service personnel." Central Mortgage & Housing Corp.'s President David Mansur and new Regional Manager J. H. Brown were in St. John's a few weeks before to prepare for opening a federal housing office.

• • •

Prince Edward Is.

Air School Milestone: RCAF's Summerside Air Navigation School paraded its first graduating class, specialists who in 29 weeks flew over half the globe, dropped a flag on the North Pole. Day before graduates' parade, two sky-weary Lancaster bombers carrying 24 students, instructors, crew members landed in a drizzling rain after a 3,000-mile nonstop flight from Whitehorse, Y.T. In seven months, students took navigation flights over 27,000 square miles of Canadian northland and over large areas of Britain and United States as well.

Liquor Fines to Towns: Cities and towns have a possible new source of revenue in provincial offer of 100% of fines collected in prosecutions under P. E. I.'s new Temperance Act. String attached is that local police must have been active on the case and obtained the conviction. RCMP has handled most such cases; will continue to co-operate. Change is an attempt to galvanize municipal forces into cracking down on bootleggers.

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Nova Scotia

"Socialize Coal"—CCF: Provincial government ownership of N. S. coal mines was advocated by national CCF leader M. J. Coldwell on opening his federal election campaign in Springhill's Miners Hall. He pledged that if his party got power a CCF government would "in its first term of office make an offer to the people of Nova Scotia, through the provincial government, of financial assistance for returning to them control and ownership of great coal resources now supplying profits to absentee owners in Central Canada and United States."

Liberals Pledge Works: A $100 million, 5-year program of road-building and other public works is promised in Liberal manifesto issued by Premier Macdonald as bid for victory in June 9 provincial election. It says hard surfacing of highways will continue at about 100 miles a year; promises a $4 million fund to back the Government's search for new industries, plus $7.4 millions a year to assist municipalities, plus special stress on work of the Housing Commission.

• • •

New Brunswick

62,000 Acres of Spuds: With agricultural season well ahead of normal and planting past half-way except on wet lands, farmers seem assured of better than average 1949 crops if growing conditions continue favorable. So finds a province-wide survey, which also reports labor situation easier than last year. Farmers in commercial potato belt expect to seed 10% less acreage than last year, or about 62,000 acres.

Preparedness Committee?: Canadian Industrial Preparedness Association's General Manager Maj.-Gen. G. B. Howard, in Saint John for meeting of Canadian Manufacturers' Association Maritime division, said he liked a suggestion that regional committees of his CIPA be set up in the Maritimes, Prairies and B. C.

• • •

Quebec

Herald Is Now 5c.; Montreal Herald this week upped its price to a nickel from four cents "to meet constantly rising costs." The evening tabloid is sixth of Montreal's seven daily papers to go to five cents. French language morning tabloid Montreal Matin, sells for three cents.

Co-op Buying for Towns: Municipalities should buy on a cooperative basis, as tried in United States and found successful, even for smaller centres, Manager Lucien Toupin of Ville St. Laurent told Montreal convention of Municipal Finance Officers' Association of United States and Canada.

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Ontario

More Tobacco Acres: Acreage of flue-cured tobacco in Ontario this year will be at least 7,000 higher at 96,000, according to provincial Agricultural Dept. Burley will be a bit over 10,000 acres, but 5% below average for past three years. Dark tobacco plantings will be considerably lower. So far there is little disease evident and no blue mold reported.

Soybean Contest: Victory Mills Ltd., Toronto Elevators Ltd., together are putting up $600 prize money and provincial agriculture dept's crops-seed-weeds branch is supervising for soybean growing contest. Eligible is any Ontario soybean grower who plants five or more acres.

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Manitoba

Birthday Swamps Hotels: Hotel rooms will be rare in Winnipeg next week. For city's 75th anniversary week June 5 to 12 the two largest — Royal Alexandra and Fort Garry—were booked solid two weeks ago, with many guests inbound for conventions arranged before the birthday observance plans had been settled. Reservations were "just about full" at the Marlborough, St. Regis and McLaren. Americans are expected to swamp the town this week end—"a lot of them habitually neglect reservations; they just come." By last week, 330 residents had offered 600 rooms to house hotel overflow visitors so inrush isn't expected to produce an overnight housing crisis.

Coyotes Beware: "Amazing" results with chemical sodium fluoracetate ("1080" to trappers) have been recorded against predators and rodents by U. S. Fish & Wild Life Service's control branch, according to provincial game commissioner E. L. Paynter following return of two of his game wardens from the Dakotas. Accepted method there is to inject 1080 into meat bait, working from strategically located chemical stations. Rising coyote menace may bring the method into Canada, Mr. Paynter suggested.

Saskatchewan

"Ottawa Curbs Air Service": Federal Air Transport Board recently refused Saskatchewan Government Airways permission to carry out charter work from Churchill, Man., to North West Territories on ground "it is considered to be in the public interest to limit operations of provincial crown corporations operating commercial airlines primarily to services within the limits of their respective provinces." So Resources Minister J. H. Brockelbank said in a volunteered statement. He called it discriminatory; said the Board contradicted itself by classifying SGA as a commercial organization in some instances "while stating in other instances that it was not."

• • •

Alberta

Calgary Gets Hockey Arena: Bird Construction Co. got $1.1 million contract to build Calgary Exhibition & Stampede Ltd.'s proposed 6,650-seat, 2,200-standee hockey arena and have it ready in 15 months for conventions, concerts, sport events, other public gatherings.

Ottawa Buying Water Project?: Federal Agricultural Minister Gardiner, after talk in Medicine Hat with Canada Land & Irrigation General Manager David Hays, announced Dominion Govt. auditors and irrigation engineers were opening study of the company's holdings to prepare an agreement of sale for consideration by Ottawa. Medicine Hat understood the consideration might be around $2¼ millions, with additional federal spending of maybe $3.5 millions to complete extension of irrigation works from Vauxhall to Medicine Hat. Plan would open 240,000 acres, part owned by the province. Alberta already has agreed to share cost.

• • •

British Columbia

Socialist Bid Strong: In perhaps its strongest bid yet for power in B.C., Harold Winch's CCF socialists are contesting each of 48 seats open in 41 ridings for the June 15 provincial election. So are Liberal and Progressive Conservative coalitionists under Premier Byron Johnson. Social Credit has 16 in the field, Union of Electors—an offshoot—has named 12 independently. Besides, to bring total to 138, there are eight individual independents, two Labor Progressives, one People's Party, one straight Conservative, one Socialist Labor, one Labor.

Cold-resistant Alfalfa: Prof. G. G. Moe, University of B. C. agronomist, saw a $20,000 jackpot when experts reported a 63-acre alfalfa plot near Fort St. John had come through an exceptionally tough winter in fine shape. A vacation hobby farmer, professor Moe has standing orders from colleges and agricultural schools at $3 a pound for all the seed he can produce this year. It's a hybrid developed at UBC over 35 years, does well in wet soil, can exist in very dry country too, isn't likely to suffer from being pastured, is hard to kill. Comes from crossing Russian Don Valley and the familiar Grim seeds.

WILLIAM P. WALKER,

vice-president and general manager, York Knitting Mills Ltd., has been appointed a member, advisory board, Toronto Branch, Royal Trust Co.

CANADIAN COTTONS, LTD., net profit for year ended March 31, 1949, was up 30.6% at $1,157,929 compared with $886,479 in the previous year.

Suspension of the British Preferential tariff on cotton and rayon piece goods coming into Canada and extension of the same concessions to other countries under the Geneva Agreement worked no hardship on the industry in Canada due to the strong demand for all textile products during 1948. Nevertheless a return to the moderate tariff in effect prior to June 30, 1948, declared by the Canadian Government effective July 1, 1949, is viewed with satisfaction by the company, since further extension of the tariff concessions would undoubtedly result in severe competition from both British and U. S. goods.

U. S. Government support prices are expected to artificially hold up the price of raw cotton and whatever is done in the U. S. in dealing with basic commodities will nave a fundamental bearing on the outlook for the company, states President E. C. Fox.

Addition of $650,000 in 1948 under the heading of shares in subsidiary companies, resulted from purchase of assets of another textile company whose operations were complementary rather than competitive.

INCOME ACCOUNT

Years Ended Mar. 31:	1949	1948
Net earnings	$3,563,983	†$2,257,281
Less: Depreciation	910,548	747,052
Bond int.	78,750	78,750
Taxes reserve	900,000	545,000
Inventory res.	500,000	......
Contingent res.	16,756	......
Net profit	1,157,929	886,479
Less: Pref. divds.	198,312	198,312
Com. divds.	415,530	373,977
Surplus for year	544,087	314,190

†Includes unstated subsidy.

Earnings per Share and Dividend Record:		
Pref.: Earned	$7.01	$5.36
Paid	1.20	1.20
Com.: Earned	6.93	4.97
Paid	2.50+0.50	2.20+0.50

CONDENSED BALANCE SHEET

As at Mar. 31:	1949	1948
Cash	$309,392	$548,749
Accts. rec.	2,294,846	1,143,594
Investments▲	5,448,652	4,922,556
Inventories	5,127,919	5,101,987
Total curr. assets	13,180,809	11,716,886
Invest. in subs.	713,603	63,603
Misc. assets♦	352,348	464,080
Fixed assets	25,005,202	23,939,882
Total assets	39,251,962	36,184,451
Accts., tax., etc., pay.	2,032,496	758,850
Cotton acceptances	2,499,009	1,043,909
Total curr. liab.	4,531,505	2,802,759
Funded debt	3,000,000	3,000,000
Deprec. res.	19,129,755	18,174,835
Contingent res.	540,000	541,895
Capital stock	6,075,400	6,075,400
Capital surplus	364,930	336,661
Earned surplus♦	5,610,372	5,252,901
▲Market value	6,385,000	5,722,455
♦Incl. refund. EPT	......	186,616
Working capital	8,649,304	8,914,127

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These strong preferences are equalled only by the dealers' choice of publications to which they look for this information . . . they have a very definite preference for trade publications.

* * * *

The above is taken from a 1949 report of the Business Information Division of Dun & Bradstreet (who have more confidential information about dealers than anyone else).

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MACLEAN-HUNTER
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How to Be Happy in Retirement

The Question: How to keep healthily and happily occupied after retirement is puzzle for many people. What specific suggestion would you make to those about to retire?

The consensus of a majority of those answering The Financial Post question this week is that to be happy in retirement, it must be planned as carefully as the career that preceded it.

Furthermore, retirement does not necessarily mean a hobby. Hobbies are fine but to be happy, man needs to serve in some way or another.

Older men with time to spare can find a worldful of opportunities for human service in community projects, the church, municipal councils, Chamber of Commerce, studying social trends, farming, education, government.

Retirement, says one reply, can be the beginning of opportunity for service, not the end. More answers will be published next week.

GEN. J. H. ELMSLEY, Retired regular officer, Canadian army, Toronto.

No individuals retiring on a small pension, government annuity, etc., can secure any degree of health and happiness if they continue to live in a large city with its high cost of living and on an income reduced by some 60%. They must realize that retired people can now only secure a job to augment their reduced income which is not compatible with their former methods of earning a living. These people should move to a small country village or secure accommodation with a farmer where the cost of living is low and any intelligent person can earn the odd dollar usefully at some light work which they can easily undertake. Life in the country today with a radio, daily paper, local library and community interests, bus services, etc., is far preferable to one spent in an expensive third rate boardinghouse in some undesirable part of a big city.

• • •

D. H. ELTON, Former Mayor of Lethbridge.

How to keep healthy and happily occupied after (I should say, during) retirement is a $64 question. A competent answer, instanter, would entitle one to a past master's degree in philanthropy. However, when a man in good health retires from business, unless he has followed, in his spare time, some activity to employ—not spend or waste — his hours of vigor each day during his retirement, had better carry with him an option to repurchase the business. Above all, let him stay with his friends and keep close to his associates and not tear up his "grass roots" for they never thrive in distant fields.

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R. J. FLATT, G. R. Duncan Co., real estate brokers, Fort William.

To keep healthfully and happily occupied after retirement would seem to be predicated on being useful and, more important, being needed. Life long hobbies of fishing, carpentering, gardening are all healthy and helpful but your church, your community projects, chamber of commerce, your city council, all need the wisdom and experience of older men with time to spare. These activities repay a thousand fold in friendship and in the sense of being needed. Therein lies happiness.

• • •

SENATOR F. W. GERSHAW, Medicine Hat.

Poor health and early deaths after retirement are not as common as many believe. When they do come they are due to organic disease. The CPR asks their employees to have a medical examination every year after the age of 50 is reached. If this practice was more general, many slowly encroaching illnesses would be discovered and modern care certainly can prolong the years of active life. Happiness comes from making others happy and having a motive in life. The retired might help with the work within their physical abilities. The study and discussion of such subjects as farming practices, education, government, social trends, inventions, etc., may add to the general welfare.

• • •

JOHN MURRAY GIBBON, Former CPR Public Relations Counsel, Ste. Anne De Bellevue, Que.

From observation and personal experience I recommend all those who are planning to retire first to cultivate a hobby such as handicraft in addition to book reading. My own preference is for books on social history describing habits of people in earlier generations. A study of music helps one to enjoy the many good programs which are now being broadcast over the radio. You can take a portable radio to your easy chair or bedside, and so forget the passage of time without physical effort.

DR. C. H. GOULDEN, Cereal Division Experimental Farm, Ottawa.

There is no problem about being healthily and happily occupied after retirement if one starts to think about it in time to avoid disappointment. In the selection of a hobby one should plan early, at least ten years before retirement, and make sure that the hobby selected is a suitable one and has an absorbing interest. Some may be satisfied with work for the hands only but others will require something to keep their minds occupied as well. Also, don't depend on gardening only in a climate where the winters are long and cold.

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SANDHAM GRAVES, Editor, Colonist, Victoria.

The average individual is capable of living not one but a hundred different kinds of a life; each of them full, interesting and complete with an expanding mind. If retirement is feared it is the world's worst remedy because the mind will have ceased to see over its own banks. It is difficult to conceive of a life so narrowed that it has developed no interest outside of work. Even for such the world is full of opportunities for human service; people crying for help, things in real need of being done. It is the attitude that counts. Retirement, with its leisure, can be the beginning of opportunity, not its end.

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DR. J. A. HANNAH, Managing Director, Associated Medical Services Inc., Toronto.

There is no panacea for "how to keep healthy and happily occupied." Accumulation of material possession gives rise to a false sense of security and tends to destroy appreciation of the value of the more important intangibles such as human and spiritual values. The "happily occupied" whether old or young, long ago gave up trying to purchase contentment on the "gold standard." True happy occupation comes from "the substance of things unseen" not through possession of "things seen."

• • •

G. L. SPRY, Advertising Manager, Huron & Erie Mortgage Corp., London.

Let me suggest to Mr. Spry, advertising manager of The Huron & Erie and The Canada Trust Company from 1918 to April 30, 1949, that to keep healthily and happily occupied he say au revoir but not good-by to business. There will be more time for golf, curling and fishing to be sure, but he might ponder a little on those old paint brushes around the house that were let go into retirement long before their time, and the saw, plane and other tools that have gathered an unhealthy coat of tan. The moral is obvious. There'll be plenty to do if you don't get rusty. Let's forget the water that has passed under the bridge and think of the future not only of the institutions you have served, but also of Ontario, Canada and the world at large.

• • •

CHARLOTTE WHITTON, former director, Canadian Welfare Council, Ottawa.

Satisfying use of leisure, like presence of mind, cannot be made to order for the occasion. It has to begin so early that it is a natural part of life and habit. Then retirement from your regular occupation becomes just a change of emphasis in activity. My suggestion would be keep two arrows in your bow always—one your work on the job, the other your work off the job; and when you sign off full time from the former, sign on full time with the latter. Then you will have a sense of use rather than disuse.

• • •

L. A. WINTER, Former treasurer, Manufacturers Life Insurance Co., Toronto.

One is healthily and happily occupied only if he is doing that which he likes to do. The specific suggestion would be that for as long a time as possible before retirement prepare for the change over by developing a hobby or occupation that is congenial and sufficient to keep one busy. In other words, go into training for the event. From my own experience and observation, I have found some of the healthiest and happiest men who, during and after an active business life, find a place where they can give voluntary service in some of the great humanitarian or benevolent organizations or movements. Retirement may be the opportunity to do this service which keeps one active and young and provides a happiness not experienced in selfish pursuits.

• • •

E. J. ZAVITZ, Chief, Division of Reforestation, Ontario Dept. of Lands & Forests, Toronto.

Upon retirement from active business one should plan beforehand to meet the change. Our previous training and life must influence the change. To me the twilight days could best be spent in playing with the soil by growing flowers, shrubs or even trees. Even a small garden lends itself to continuing interest from early spring to late autumn. If possible, a conservatory or small greenhouse would provide great interest during the winter months. If finances permit, one also should have a plot of land in the south for the long winter months. I would like an occasional day off to go fishing.

TEMISKAMING MINING CO. as at March 31, 1949, showed $259,622 of current assets including $250,703 market value of securities as against current liabilities of $220. A net profit of $11,612 was realized in the year ended March 31, 1949. As nearly 30 years has elapsed since the last dividend was declared. $4,596 reserved for unclaimed dividends has been transferred from current liabilities to deficit account, reducing latter to $66,460.

ATHONA MINES (1937) has had crews at work on both its Goldfields and Black Lake uranium properties for the past month. Headquarters were established at the company's main property at Goldfields but in addition a camp was established at Ace Lake adjoining the Eldorado holdings where the company staked two groups last fall. Prospecting and geological mapping are being carried out. A geologist and crew were placed on a concession adjoining the Nisto property at Black Lake in which the company holds a 30% interest and the company is also participating in a prospecting venture in the Lake Athabaska area.

NORPICK GOLD MINES May 22 installment of 100,000 shares at 10 cents a share and each subsequent installment under agreement with Yam Securities have been extended for three months.

LABOR ROUNDUP

BY RONALD WILLIAMS

End of Red Seamen's Union in Sight Defeat Credited to Single Labor Man

If they ever hand out medals for meritorious service in the sinking of the Communist Seamen's Union, the biggest and shiniest will go to a 56-year-old Montrealer, Frank H. Hall.

This week, the CSU was little more than a Red hulk cluttering up legitimate union sea lanes. It would probably manage to stay afloat awhile but it would never again be much use as a Communist carrier.

It had lost the bloody Great Lakes strike last year. It was now losing the equally violent East Coast strike. Non-Communist rank-and-filers were abandoning the Red-union ship by the hundreds in favor of the AFL Seafarer's group whose politics are far removed from Moscow.

It was being deserted right and left by labor generally, CCF leader M. J. Coldwell, stung into retaliation by constant Communist baiting on the hustings, called a Red "a Red" naming CSU President Harry Davis, Secretary T. G. McManus and Dewar Ferguson.

On top of all this, it was finally, although reluctantly, being disowned and cast out by the Trades and Labor Congress of Canada. Either that, or all AFL unions would pick up and leave the TLC. That would be the end of the TLC. The Post is told that the decision had been made: the CSU has got to go. A sub-committee has been set up to "investigate" but that is merely a face-saving device.

The Executive will suspend the Communist outfit, The Post understands. At the next TLC convention in Calgary in September, suspension will become expulsion. And despite TLC-inspired references to the Seafarers as a "racketeering outfit," the SIU, The Post is told, will be readmitted.

It was expulsion of the SIU three years ago at the Hamilton TLC Convention that started Frank Hall out after the Reds' scalps, shortly before the CSU had been expelled from the parent SIU which is the ruling AFL maritime union in the United States. The charge: Communism.

This meant that the TLC had to decide which of the two unions to recognize in Canada. In a typically Communist move, the issue was introduced after most of the delegates to the Hamilton convention had gone home. One was Hall who had been assured that the matter would not come up. The outcome was a foregone conclusion: the SIU was out, the CSU in.

Shoe On Other Foot

Now the shoe is on the other foot. And most of the credit for switching the TLC to the side of the AFL anti-Communist union must go to Frank Hall. Now a fluent, dynamic union chief, Hall came to this country as a boy of 13 from Norfolk, England. He went to work for the CPR and soon had his foot on the bottom run of the union ladder.

By 1925, he was close to the top; he was elected vice-president of the powerful AFL Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employees. This made him the union's top man in Canada. His salary: $11,000 a year, the highest paid any Canadian union leader.

Hall who looks more like a banker than the layman's idea of a two-fisted union man, had carried the fight to the Communists inside and outside the CSU in the face of the most vicious barrage of Communist character assassination and smearing this country has ever seen.

No union man has been called the names he has. He's been branded a "boss lover;" the leader of industry's "fifth column in labor;" "company stooge stabbing labor in the back." Only those who have been subjected to the full Commie smear know how bad it can be and how effective it often is in silencing less resolute anti-Communists.

Red Chasing Secondary

But Communist chasing is secondary with Hall. His first task is heading the big Canadian section of the AFL Brotherhood of Railway and Steamship clerks, and also being spokesmen for 15 International railway unions.

He first began to attract nationwide attention last year when he negotiated a 17c raise for 140,000 railway workers. Since then he's been in the spotlight as leader of the anti-Communist revolt within the Trades and Labor Congress of Canada. Today his role as a negotiator is in the limelight again. Last week he announced the railway unions are going after the 40-hour week without any reduction in take-home pay: in effect a 15c hourly increase.

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Labor Pains In Nfld.

Undeterred by setbacks on the strike front and on the political front within the TLC (see above), the Communist Seamen's Union was breaking new Red ground last week. In the new province of Newfoundland, they claim to have signed up over 200 seamen on coastal steamers and about 10 on deep sea vessels.

First Red move was made last fall when Communist Bert Meade, union regional director, looked the ground over. His place was taken by John Butler who has since made St. John's his headquarters.

On the Newfoundland strike front, the CSU has nothing to boast about. Longshoremen had refused to observe CSU pickets around two SIU-manned vessels. In reply to Butler's appeal, Longshoremen's President Leo Earle declared:

"We are going to ignore any CSU picket line. Longshoremen owe as much allegiance to the SIU as CSU. They are union men too."

Meanwhile, the Canadian Fishermen's Union was showing signs of new life after being almost destroyed in a suicidal strike in Nova Scotia, stage-managed by Communist Meade, when it was part of the CSU. Capt. Ben Mackenzie, regional organizer, recently visited Newfoundland to set up branches.

Elsewhere, the AFL organizational drive was showing results (The Financial Post, Nov. 20). New unions were springing up almost weekly, the latest being the Garagemen's and Movie Projectionists'. At the same time many old established organizations, notably the Laborers' and General Workers' union were affiliating. The CIO-CCL campaign appeared to be losing ground.

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More Reds Bite Dust

Montreal Labor Council (CIO-CCL) has been added to the growing list of Canadian labor organizations which have cleaned their houses of Communists.

At the annual election of officers, the whole Communist-sponsored slate was beaten. At the same time, the rightwingers defeated a Communist move to jockey the Council into endorsing the Canadian Seamen's strike. Like Toronto and other CIO-CCL councils, Montreal ducked the issue on a technicality: the CCL ruling that it could not and would not interfere in a jurisdictional dispute between unions in another congress.

New Executive Committee consists of: president, W. J. Smith, Can. Bro. of Railway Employees; secretary, R. L. Lamoureux, United Steelworkers; 1st. v.p., Sol Lynds, Amalgamated Clothing Workers; 2nd v.p., Raymond Lapointe, United Steelworkers; treasurer, Gerard Rancourt, CCL official; directors, W. Bailey, Tom Clark, J. E. Corbeil, William Dodds, J. Leblanc, R. Leclerc and Phillipe Vaillancourt.

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U. S. Telephone Workers Join CIO

The big, independent Communications Workers organization which represents about 40% of Bell Telephone employees in the United States, has joined the CIO. In Canada, there has been no suggestion that Bell's 11,252 employees in Canada were considering similar action. On the contrary, last week the Canadian Telephone Employees' Union (Ind.) was certified as bargaining agent for them.

In the U. S., the way is now clear to bring all phone workers together in one union. With the 230,000 members it already has and another 65,000 it hopes to get from other unions, the Communications group expects to be the third or fourth largest in the CIO.

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Labor Briefs

British Columbia coast lumber operators got the bad news last week from the CIO International Woodworker's union: 15c an hour more (to give a basic rate of $1.23); reduction in board rates from $2.50-$1.50; employer-paid welfare fund; $16 guaranteed basic daily minimum for fallers, buckers and shingle sawers; $12 for shingle packers; payment for 10 statutory holidays; an extra week's holiday with pay. Employers are represented by Forest Industrial Relations. Existing contracts expire July 15

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Nova Scotia's Eastern Car Co., Trenton Steel Workers and Trenton Industries have granted wage raises of 13½c an hour to some 1,285 employees, giving a base rate of 88c an hour. CIO Steelworker's union had asked 19½c. A conciliation board agreed, but employers countered with 13½c which the union first rejected, giving rise to strike talks, then accepted 923-70.

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SAINT JOHN—NEW BRUNSWICK

THE TOURIST BUSINESS

By WALLACE GILLESPIE

Are U. S. Tourists 'Shopping Around?' Careful Study of Enquiries is Needed

Biggest question mark before tourist operators this month is how to interpret the increased volume of enquiries which federal and provincial officers are receiving from prospective visitors.

An optimist's interpretation would be that tourists will be here in numbers eclipsing last year's record. Encouraging this view is the fact that motor vehicle entries from the United States are currently running ahead of last year.

But the persistent question mark centres around the possibility that U. S. tourists may be "shopping around" more than they did last year. They may be sending enquiries to more than one place so that they can make their choice wisely. After they arrive, they may not stay quite as long or be as free with their dollars. Lending weight to the latter view is the experience during the last winter's season at Miami Beach, Florida.

July and August will answer the questions. For those who seek an earlier reply, the next-best thing is to feel the pulse of travel trends in the United States. That country, which has talked recession more than Canada has, will decide the difference between a record-breaking 1949 season and an average year.

The U. S. Picture

Canadian Association of Tourist and Publicity Bureaus recently distributed a report by Elmer P. Resseguie, chairman of its committee on U. S. Travel Trends. On the economic picture generally, it reported that many U. S. families, uncertain of future trends, are trying to accumulate liquid capital. There has been an increase in savings, but this has has been concentrated in the upper income brackets. In this market, Canada faces the competition of renewed European travel, now being promoted in the U. S. by 10 trans-Atlantic air lines, 10 trans-Atlantic steamship lines, and 14 European railroads, countries, regional agencies, etc.

In the mass market, the upsurge in demand for housekeeping accommodations, noticeable in Minnesota last year, is expected to continue. To the all-round resort operator, it recommends: "Sell 140 where last year you sold 100, if you would keep your income from tourism up to the 1948 level."

Statistically, there's not a cloud in the sky yet.

Canadian Government Travel Bureau reports that it received 157,762 enquiries from prospective visitors to Canada during the first four months of 1949, 26.7% over the same period last year. This four-month total is more than half the enquiries received during all 1948. That year, 275,957 requests for travel information, mostly from U. S., reached the Bureau's offices in Ottawa.

An earlier Financial Post survey (April 30) showed that the number of advance enquiries received by provincial travel offices was also up.

Furthermore, the inconclusive early-season figures on motor vehicle entries would appear to indicate that our visitors are actually showing up.

During the first four months this year, 198,086 traveler's vehicle permits (required by motorists entering Canada for more than 48 hours) were issued. That's an 11.6% increase on the same four months last year when 177,566 were issued.

All provinces except B. C. shared in the increase. Nova Scotia's visitors enter almost entirely through New Brunswick's border points. Here are the figures:

Province of Entry:	Four Months 1948	1949
Nova Scotia	9	4
New Brunswick	11,078	13,017
Quebec	33,692	41,806
Ontario	95,285	108,465
Manitoba	1,244	1,632
Saskatchewan	243	603
Alberta	1,801	2,445
British Columbia	34,258	30,021
Yukon Territory	156	153

Should Labor Day Be Moved Back?

Canadian Association of Tourist and Publicity Bureaus' committee on extending the vacation season has been sounding out Labor Unions recently on its suggestion that Labor Day in Canada be set for the third Monday in September, rather than the first as at present.

The response has encouraged R. G. Perry of Montreal, committee chairman, but he thinks there is a need for concentration on the third Monday, rather than diffuse efforts at setting the second, third, or fourth Monday as the holiday.

Next step, he says, will be to seek the support of the various provincial education authorities in establishing the third Wednesday in September as the opening of the school semester—a move which, he adds, "would enable students to obtain two weeks' more employment, the remuneration from which would be of valued assistance to many in defraying expenses incidental to their scholastic work."

* * *

Ontario to Extend Accommodation Rules

Ontario is now drafting regulations which will bring almost every type of tourist establishment under government inspection.

The province has set minimum standards for cabin accommodation for more than two years. Similar regulations, to be announced shortly by the cabinet, will bring much greater number of places under surveillance including (a) hotels which are not already inspected by some other government agency such as the Liquor License Board; (b) hotel-type tourist resorts which do not offer cabin accommodation; (c) tourist homes of a size sufficient to indicate them as a commercial venture.

Alberta is going to give her motoring visitors a smoother ride. This year the province is earmarking a record $16 millions of its oil-buoyant revenues for general highway improvement. Nine millions of this will be spent for main highway construction; $1 millions for new bridges: and more than $2 millions for district highways and local roads.

* * *

Montreal Tourist and Convention Bureau says more than 450 tours are booked by the city's hotels this summer. These will bring about 23,000 visitors to Montreal.

Gt. Lakes Paper Dividend Cut

Great Lakes Paper Co. declared a dividend of 25c a share on its common shares for June as against payment of 40c a share on March 31 and quarterly since the last quarter of 1947. It also declared a regular 62½c a share on the preferred A and 30c a share on the preferred B, all payable June 30 to holders of record June 10.

The declaration on the common is in line with policy of paying dividends to the extent of 50% of net earnings and maintaining a strong working capital position, the company states.

First quarter 1949 net profit was off 30.8% from the corresponding quarter of 1948 and equivalent to 68c on the common as compared with $1.08 in the like 1948 quarter.

Municipal Bonds Attract Higher Bank Investment

Investments of the Canadian chartered banks in municipal bonds are increasing.

Total holdings on March 31 were $140.9 millions, about $8.2 millions more than on the same date of 1948 and almost $40 millions higher than on March 31, 1939.

The upward trend has been evident for some months past. The total amount of municipal bonds purchased by the banks in recent months, however, has probably been considerably greater than the figures indicate. Many of the municipal bond issues are serial bonds with a certain amount maturing each year, and this to some extent offsets the new purchases.

Attractive Investments

There are several factors in the situation.

Municipalities generally are in good financial condition and their securities accordingly are attractive, on the grounds of security. Yields are relatively good and there is no restriction on the amount of municipals the bank can buy, as is the case in Dominion Government issues. Moreover, there has been a steady flow of new issues coming on the market.

Some of these new issues are to finance work about to be undertaken, some to replace bank loans made to finance work already under way, (The Financial Post, May 28). The total bank loans to municipalities on March 31 were $79.1 millions ($57.7 millions a year ago).

While the financing is for all kinds of municipal public works, a large proportion is going for new school buildings. Most of these bank loans are eventually repaid by money raised from the sale of medium and long-term debenture issues.

In certain quarters, further rise in bank holdings of municipal bonds is expected as new issues come on the market.

Holdings of all the chartered banks at the end of March are shown herewith, together with figures for last year, 1947 and 1939, the last prewar year.

Municipal Bond Holdings of Chartered Banks (Millions of $)

	1949	1948	1947	1939
January	137.6	133.9	134.8	99.8
February	137.3	132.8	155.4	101.7
March	140.9	132.7	170.3	101.1
April	....	133.4	177.7	102.4
May	....	133.7	142.2	104.0
June	....	133.4	142.7	104.0
July	....	134.4	143.7	102.7
August	....	136.8	143.1	104.0
September	....	136.6	140.1	100.9
October	....	138.2	140.4	97.9
November	....	136.9	134.0	99.7
December	....	139.9	133.3	99.1

Staff Changes

The following bank staff changes have been announced:

Montreal:

W. D. PITTS, of assistant general manager's department, Toronto, to be an assistant superintendent of Ontario District, with headquarters in Toronto.

C. H. NADEAU, of head office, to be manager, Darlington & Soissons Avenues, Montreal.

A. E. EXHAM, of superintendent's department, Vancouver, to be assistant manager, New Westminster.

* * *

Royal:

B. B. ROTHWELL, accountant, Port Arthur, Ont., to be manager, Snow Lake, Man.

H. E. CHRISTENSON, manager, Eyebrow, Sask., to be manager, Luseland, Sask.

C. G. SEELEY, Regina, Sask., to be manager, Elrose, Sask.

J. J. HAND, manager, Luseland, Sask., to be manager, Viscount, Sask.

F. H. BROOKS, accountant, King & Church, Toronto, to be manager, Tottenham, Ont.

R. C. BILLINGSLEY, assistant manager, Bay & Temperance, Toronto, to be manager, Bay & Wellington, Toronto.

C. A. PUTNAM, manager, Hastings, Ont., to be manager, Campbellford, Ont.

S. G. GAY, accountant, Davie St., Vancouver, to be manager, Main & 49th St., Vancouver.

R. G. WOOD, New Westminster, B.C., to be manager, Port Moody, B.C.

W. C. EVANS, Invermay, Sask., to be accountant, Arcola, Sask.

W. H. G. KITTS, Perdue, Sask., to be accountant, Moosomin, Sask.

W. M. L. LYONS, Yonge & Bloor, Toronto, to be accountant, Bay & Wellington, Toronto.

D. J. ROBERTSON, Greene Ave., Westmount, Que., to be accountant, Laurier Ave., Montreal.

W. G. McLEAN, supervisor's department, Winnipeg, to be accountant, Main & Logan, Winnipeg.

M. A. STEWART, Morris & Barrington, Halifax, to be accountant, Shubenacadie, N.S.

J. S. MOORE, to be accountant, Owen Sound, Ont.

W. E. BOWEN, Viscount, Sask., retires.

* * *

Nova Scotia:

J. F. WILSON, to be an assistant supervisor at general manager's office.

M. C CHISHOLM, to be manager, Ottawa South, Ont.

G. C. SPRINGER, to be manager, Beardmore, Ont.

J. R. STEWART, to be manager, Petrolia, Ont.

G. R. HENRY, to be assistant manager, Charlottetown, P.E.I.

G. S. ROBINSON, to be an assistant manager, Vancouver, B.C.

W. TAYLOR, to be assistant manager, Calgary, Alta.

J. BLACK, to be accountant, Vancouver, B.C.

K. B. RUSE, to be accountant, Calgary, Alta.

T. A. WALTON, to be accountant, Charlottetown, P.E.I.

E. V. ALLAN, to be assistant accountant, Calgary, Alta.

P. P. POAPS, to be an assistant accountant, Vancouver, B.C.

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Manager
Toronto City Branch
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for the year 1948

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Fraternal Societies Show Net Gain In Life Insurance In Force In 1948

Canadians bought approximately $31.2 millions of life insurance from Dominion licensed fraternal societies in 1948, according to figures compiled by R. W. Warwick, Dominion Superintendent of Insurance.

The figures show a reduction from the previous year. But this is accounted for by the transformation of one society to a mutual life insurance company. The amount of new business thus excluded from the statistics of the Canadian societies in 1948 was $9.1 millions.

Total insurance in force with the societies both Canadian and foreign, at the end of 1948 was $241.4 millions. But here again the apparent decline is due to the above noted transformation of the Alliance Nationale. Total life insurance in force with this company at the end of 1948 was $74.5 millions. The total Canadian business in force amounting to $241.4 millions was down about $44 millions from the previous year's total including the Alliance Nationale. Excluding the Alliance business in 1947, a gain of almost $14 millions is seen.

This Canadian business was distributed over 41 societies, 14 Canadian and 27 foreign, all the latter with head offices in the United States.

Canadian Societies

Of the total of $241.4 millions, the Canadian societies had $125.1 millions or more than half.

Three of the Canadian societies do business outside Canada:— La Societe des Artisans; the Grand Orange Lodge of British America; the Independent Order of Foresters.

The constant communication between the Canadian companies doing business in the United States and the United States societies operating in Canada has been credited with much of the friendly feeling between the two countries. The members of the societies all take an obligation of fraternity, brotherly love and adherence to the principles of the societies, and these are regarded as a powerful factor in maintaining friendly international relations.

Accompanying are figures of the 1948 business issued by the Dominion Superintendent of Insurance with comparisons for 1947.

Figures for both years are preliminary and subject to revision.

THE RECORD OF FRATERNAL INSURANCE

	New Insurance 1948 $	New Insurance 1947 $	Insurance in force 1948 $	Insurance in force 1947 $
Artisans, a	6,468,300	3,772,300	47,861,675	43,379,145
b	825,000	562,250	15,319,596	14,955,519
c	7,293,300	4,334,550	63,181,271	58,334,664
Associated Canadian Travellers, ac	180,522	161,563	560,482	476,846
Canadian Woodmen of the World, ac.	174,950	217,334	3,092,491	3,086,223
Catholic Mutual Benefit Ass'n., ac.	......	12,750	1,792,875	1,892,849
Commercial Travellers' Ass'n, ac.	79,765	57,359	6,739,875	6,160,592
Dom. Commercial Travellers' Ass'n, ac.	......	68,380	4,343,314	4,310,674
Dominion General Benefit Ass'n. ac.	295,500	353,500	1,821,800	1,839,800
Grand Orange Lodge of Br. America, a	375,100	805,300	6,410,913	6,362,684
b	3,000	14,500	132,031	132,498
c	378,100	819,800	6,542,944	6,495,182
Independent Order of Foresters, a	7,074,500	8,828,500	39,032,136	38,058,728
b	13,051,184	9,644,599	79,474,140	75,045,874
c	20,125,684	18,473,099	118,506,276	113,104,602
Italo-Canadians, ac.	17,600	61,900	200,757	224,705
Sons of Scotland, ac.	1,234,000	900,250	8,373,267	7,540,196
Ukrainian Fraternal Society, ac.	173,000	131,700	1,616,700	1,433,950
Ukrainian Mutual Benefit Ass'n, ac.	68,750	18,500	631,567	581,422
Workers Benevolent Ass'n, ac.	465,000	575,900	2,648,400	2,385,550
Total†, a	16,606,987	23,702,169	125,126,252	175,202,012
b	13,879,184	10,279,349	94,925,767	94,089,143
c	30,486,171	33,981,518	220,052,019	269,291,155

a In Canada; b outside Canada; c Total.

† 1947 figures include business of the Alliance National which in 1948 was reorganized as a mutual life insurance company. The 1947 figures were: New in Canada $7,736,933, outside Canada $58,000; total $7,794,933; business in force: in Canada $57,468,648; outside Canada $3,955,252; total $61,423,900.

	New certificates 1948 $	New certificates 1947 $	Certificates in force 1948 $	Certificates in force 1947 $
Aid Ass'n for Lutherans	627,250	842,500	4,489,125	3,997,202
American Mutual	......	......	337,297	352,870
American United	......	......	463,368	465,278
Ass'n Canado-Américaine	1,330,400	1,323,000	8,488,587	7,944,962
Brotherhood of Railroad Trainmen	840,000	1,055,250	15,119,907	15,201,115
Catholic Order of Foresters	710,300	924,000	10,325,975	10,529,980
Croatian Fraternal Union	141,400	71,400	3,440,600	3,416,300
Expressmen's Mutual	......	......	25,990	25,990
First Catholic Slovak Ladies Union	12,000	35,500	199,337	188,205
First Catholic Slovak Union	103,500	115,000	1,005,500	954,000
Jewish National Workers' Alliance	272,340	151,350	1,792,639	1,624,540
Knights of Columbus	4,674,411	4,338,500	33,445,243	30,178,190
Ladies' Catholic Benevolent Ass'n	......	......	157,464	161,639
Lutheran Brotherhood	354,500	344,500	1,332,637	1,026,587
Lutheran Mutual	......	......	258,829	249,230
Maccabees	4,109,701	4,740,838	23,376,128	22,291,559
Ministers Life and Casualty Union	382,000	617,500	2,860,565	2,537,794
Modern Woodmen	13,887	22,000	1,028,317	1,063,728
National Fraternal Society of the Deaf	17,000	3,000	260,922	259,769
National Slovak Society	14,750	8,500	282,983	290,119
Royal Arcanum	254,000	472,000	2,874,177	2,973,397
Slovene National Benefit Society	1,250	4,500	156,300	160,600
Sons of Norway	29,000	7,000	369,623	347,403
Ukrainian National Ass'n	483,500	159,000	1,630,000	1,234,000
Ukrainian Workingmen's Ass'n	93,375	50,000	430,740	361,865
Woman's Benefit Ass'n	96,972	101,599	2,039,999	2,024,295
Women's Catholic Order of Foresters	21,000	19,000	164,793	152,730
Workmen's circle	......	......	......	165,900
	14,582,536	15,405,937	116,357,042	110,199,267
Grand total in Canada	31,189,523	39,108,106	241,483,294	285,401,279

BANK OF CANADA

	May 25 1949 $	May 18 1949 $
Liabilities		
Capital paid-up	5,000,000	5,000,000
Rest fund	10,050,367	10,050,367
Notes in circ.	1,260,502,095	1,262,124,863
Deposits: Dom.	103,261,916	96,218,476
Chart. banks	588,262,883	558,369,677
Other	64,675,762	70,426,849
Total deposits	756,200,562	725,015,002
Liabs. payable in sterling, U.S.A. and for'n gold currencies:		
(a) to gov. of Can.	77,426,243	61,577,735
(b) to other	32,360,132	272,636
Total	77,426,243	61,850,371
All other liab.	32,360,132	23,519,595
Total liabs.	2,141,539,399	2,087,560,198
Assets		
Sterling & for'n	72,426,243	56,850,371
Other currencies	69,024	54,917
Total	72,495,267	56,905,288
Subsid. coin	346,321	281,378
Investments:		
Dom. govt. sh.	833,601,996	845,210,658
Other secs.	5,000,000	5,000,000
Short term sec.	1,159,847,121	1,124,642,588
Total invest.	1,998,449,117	1,974,853,246
Total share cap. at cost	25,000,000	25,000,000
Premises	3,178,242	3,172,485
All other assets	42,070,452	27,277,801
Total assets	2,141,539,399	2,087,560,198

Auto Fund Pays On Four Claims

From Our Own Correspondent

WINNIPEG — Four claims totaling $11,757 have been paid the last four months from the Unsatisfied Judgment Fund set up in December, 1945, under Manitoba's Safety Responsibility law of the highways.

Only three were paid in the previous 38 months the law had been in effect.

The fund was established by a special assessment of $1 on motorists when applying for their license. The Act establishing it, cited it was not to exceed $175,000. In 1947, the second year it was in effect, the assessment on motorists was reduced to 50 cents. No levy was made at all in 1948 or 1949.

At first its purpose was to indemnify persons for personal injuries sustained in motor accidents in cases where the person responsible for the accident was financially unable to pay a court judgment which might be rendered against him.

Hit And Run Accidents

This did not protect victims of hit-and-run drivers and in 1947 a procedure was set up for their benefit. Under this, injured persons may take an action against the registrar of motor vehicles as nominal defendant. If a case is established against the unknown driver of the motor vehicle the Court may order payment of the damages allowed from the fund.

The payments ordered from the fund this year in four separate cases have been $4,490, $2,895, $3,671 and $701. The first and fourth were hit and run cases.

Pedestrian Crossing

In the last case the court ruled that a pedestrian crossing an intersection on a green light has right of way to get all the way across the street if the lights change before he gets to the other side.

A woman crossing Portage Ave. to reach a safety island was part way over when the lights changed. When they did change a truck moved forward and she put out her hand and shoved on the radiator of the truck to push herself clear. The driver stopped and asked if she was hurt. She replied she was shaken up but otherwise uninjured. Later it was discovered she had a broken wrist. No one noted the license number of the truck nor the identity of the driver. Neither the truck nor driver could be located and the suit was brought against the registrar of motor vehicles.

R. J. Trenouth, Winner Of Canada Life Award

R. J. Trenouth, manager of the Toronto City Branch of the Canada Life Assurance Co., has won the President's Award, the highest honor that can be earned by a Canada Life manager on this continent.

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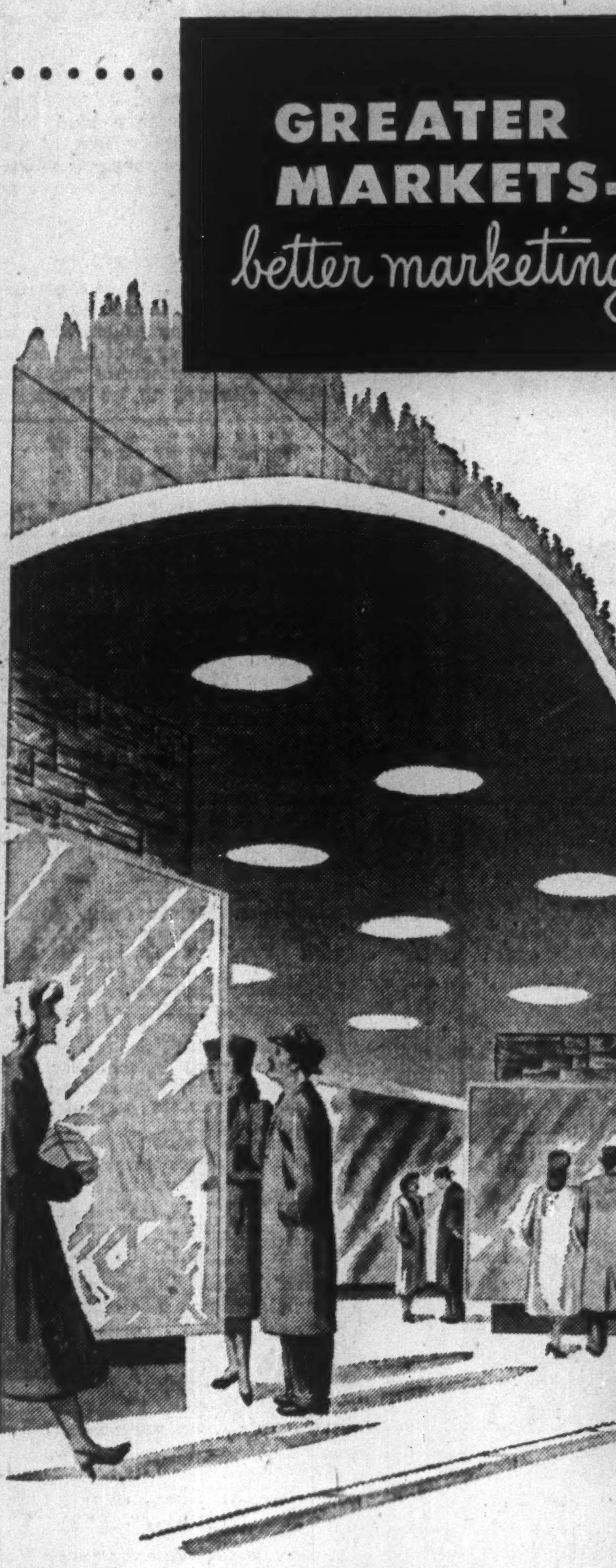

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Canadian distribution methods are more effective, more efficient than ever. Recent advances in marketing have been as remarkable as those in this country's record-breaking production and the development of natural resources.

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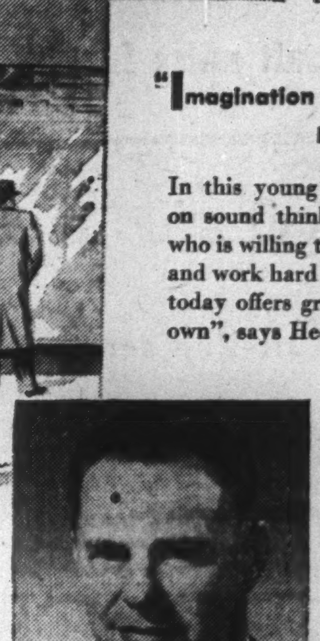

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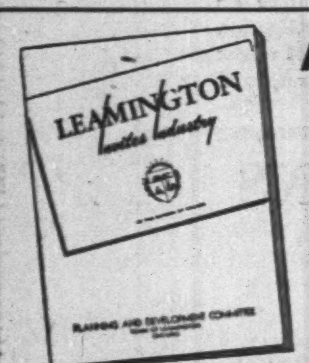

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What's New

New Products, Applications, and Ideas Gathered from World-wide Sources or Made in Canada for the First Time

Manufacturers of products which are either completely new or are being made in Canada for the first time are invited to contribute to this column. Describe the product, state its purpose, outline in what respect it is new, and indicate its significance to its field.

Enquiries concerning items in this column should mention the heading to the item, and the date of issue in order to ensure prompt reply.

Dictating Machine

"Audograph," first dictating machine manufactured in Canada, is light, portable machine, employing either hand or desk microphone. Uses plastic discs for recording, available in three sizes of 20, 30 and 60 minute capacity. Discs said to be virtually unbreakable; 100 discs take up approximately one inch of filing space.

• • •

Car Wax

Liquid wax and cleaner produced by Delaware company is said to provide finish which will last six months or more on average car under normal conditions. Makers state one person can coat car with polish in one hour. Can also be used as household polish for silver, chromium, mirrors, etc. Contains detergents which eliminate need for washing or pre-cleaning surfaces. Protective finish is made from hard quality waxes and synthetic resins chemically treated to resist weathering, salt spray and repeated washings. Contains no alkalies, solvents or harsh abrasives to harm finishes, makers claim.

• • •

Food Saver Set

Set of three covered containers and tray, all of Bakelite plastic, is offered by Chicago firm as refrigerator space-saver. Containers are of lightweight, odorless and tasteless polyethylene; can be dropped and bent without breaking, makers claim. Will remain flexible at low temperatures. Each container is 4 in. wide, 5 in. long and 3 in. deep, with tight-fitting lids which have recessed handles to allow other items to be stacked on top. Tray is molded of styrene plastic in various colors.

• • •

Anti-Insect Light

Yellow ceramic "anti-insect" light bulb is said to be especially useful for outdoor purposes, such as roadside stands, gas stations, porches and summer camps. Ceramic finish is applied by coating a clear bulb with thin layer of colored glass and then baking the coating so that it is fused to the bulb. Coating said to be weather-resistant and will not chip. Available in 25, 60 and 100 watt sizes.

• • •

Dehydrated Bait

Dehydrated bait, packaged in odorless, water-resistant and non-absorbing Bakelite polyethylene film is offered for luring catfish, bullheads, trout, sunfish and other fish that like blood. Bait puffs up and becomes larger upon striking water, as well as slowly bleeding into water to lure fish. Stays on hook even in fast water, Illinois maker states. A strong-smelling bait may be obtained by adding water and allowing to stand in a warm place for a few hours.

• • •

Electric Blanket

Automatic electric blanket soon to be manufactured in Canada is to have new control said to compensate for room temperature as well as for blanket control.

• • •

Plastic Candy Stick

New type of candy-on-stick offered by New York firm is said to combine safety with added educational value through use of a flexible Bakelite plastic handle. Sanitary handle is odorless, tasteless, without a point or any sharp edges. Handle will not pull out until all the candy has been eaten, claim makers.

• • •

Trims Hedge or Lawn

Electric hedge trimmer which can also be used for ground and overhead trimming is offered by Wisconsin firm. By use of a carrier and four-foot handle attachment, operator can trim edges of lawns and other places hard to get at with lawnmower. By changing position of handle, operator can raise unit in a perpendicular position for overhead trimming of evergreens, shrubbery, etc. Cutting head is said to be in balance with motor and handle and is adjustable and self-locking into three positions for forward, angular or side trimming, cite makers.

• • •

Low-Cost Sweeper

"Electro-sweep," new lightweight plastic electric home sweeper is molded of Monsanto's new long-flow Resinox. Will make electric cleaning available to limited budgets, according to Illinois maker. Expected to reach the retail market in mid-summer.

• • •

Work Gloves

Work gloves for industrial use made of fabric and coated with Vinylite resins are said to be about 25% more wear-resistant than the ordinary work glove. Vinylite resin coating permits handling of materials that are wet or dry, sharp or abrasive. Also offers protection against acids, caustics, oils, greases and many solvents that are destructive to ordinary work gloves.

• • •

Aluminum Ladders

Complete line of lightweight, aluminum ladders—extension, straight, orchard, window cleaner's and estimator's ladders — is offered by Chicago firm in a wide range of sizes. Top of the ladders is rounded and they have inset rubber feet at the foot. Rungs are specially ribbed for safe footing; joints have no rivets, bolts or welds.

• • •

Electric Wire Duct

"Wireways" of a new construction being manufactured by Canadian firm are claimed to be efficient type of duct for industrial and commercial installations. Claimed to be vibration proof, with joints made by coupling-hangers using only two screws that are permanently attached and cannot drop out, making them especially good for installation over machinery which might be impaired by the fall of a screw or nut. Assembly requires only screwdriver, maker states. Component parts are fully interchangeable. Wireway is said to assure perfect ground by contact of coupling over zinc-plated sectional ends. No additional screw or grounding device is required.

• • •

Pliers

"Hook-Cut" pliers, new tool offered by New York firm is specially designed for radio, television, electrical, electronic and other precision work; is actually two-tools-in-one. Has both a sharp tempered cutting edge and a "long nose" for probing into small places, such as miniature sockets. Over-all length, 6½ in.; width tapers from 2 in. on handle to 1/16 in. on extreme tip.

• • •

Midget Stone Breaker

A midget impact stone breaker crushes rock and gravel by principle of dual impact action. With round rolls instead of four-cornered bars to smash stone, the breaker can handle material passing a 12-inch square opening. Stone is fed into the breaking chamber, is caught in mid-air by two whirling half-ton impellers and kept in suspension until broken to required size. Weighs only four tons, claimed by Pennsylvania maker to be smallest ever made to break stone completely by impact in suspension.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

GREAT LAKES POWER CO. 1948 net profit was up 27%. Sales of electricity totaled 392,794,000 kw. as against 404,279,000 in 1947. Lower water storage resulting from reduced rainfall curtailed 1948 output of several plants.

Electrical energy output in the first quarter of 1949, however, reached record for company. Economic conditions indicate possibilities of even greater demands, annual report states.

Work on increasing height of storage dam at company's Upper Falls hydro-electric plant on the Montreal River was completed in 1948, from which considerable benefit has already materialized. Preliminary work was done in connection with erection of a storage dam on the Michipicoten River. This will permit higher capacity for a longer period in the year and make provision for operation of an additional generating unit of 13,000 hp. now on order.

During the year, 36 miles of rural electric lines were completed.

INCOME ACCOUNT

Years Ended Dec. 31:	1948	1947
Net earnings	$1,247,866	$1,180,908
Less: Deprec.	258,837	256,722
Bond int.	232,891	275,817
Note int.	30,000	......
Gen. int.	♦6,307	1,429
Amort. bond disc.	11,535	19,052
Income taxes	274,783	277,172
Misc. deduct.	2,279	1,316
Net profit	443,848	349,400
Less: Pref. divds.	....	54,675
Com. divds.	......	750,000
Surplus for year	443,848	▲455,275

♦Credit. ▲Deficit.

Times Bond Int. Earned*	4.25	3.35

*After deprec. and before general and note int.

Earnings per Share and Dividend Record:

Preferred	....	†
Paid	....	$7.29
Common	$14.80	9.82
Paid	....	25.00

†Redeemed Jan. 15, 1948.

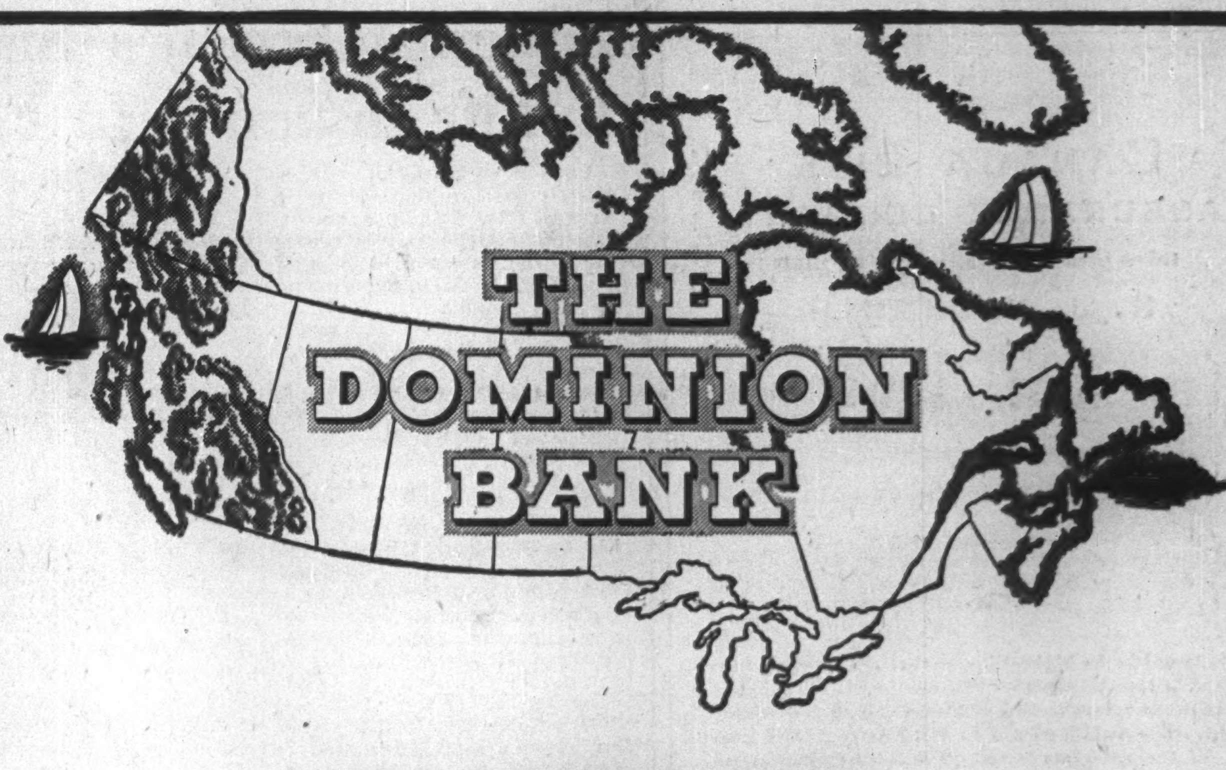
CONDENSED BALANCE SHEET

As at Dec. 31:	1948	1947
Cash & Dom. bds.	$32,586	$1,002,016
Accts. rec., etc.	185,655	183,419
Inventories	41,158	39,138
Total curr. assets	259,399	1,224,573
Misc. assets▲	208,215	445,448
Fixed assets	14,771,624	13,846,442
Total assets	15,239,238	15,516,463
Accts. & tax. pay.	213,565	177,455
Purch. contract pay.	276,279	......
Other curr. liab.	44,242	926,235
Total curr. liab.	534,086	1,103,690
Funded debt	6,800,000	7,000,000
Deprec. res.	4,561,649	4,297,270
Other liabs.	124,605	119,429
Capital stock	2,050,000	2,050,000
Surplus▲	1,168,898	946,074
▲Incl. ref. EPT	....	1,019
Working capital	†274,687	120,883

†Excess of curr. liabs. over curr. assets.

ROCHE LONG LAC GOLD MINES has received payment for May 18 installment of 50,000 shares at 10c a share under agreement with David Agency Ltd. Issued capital is 2,795,005 shares, leaving 704,995 in treasury.

GUAYANA MINES has been realizing an appreciable increase in production as evidenced by the following figures: Dec. 1948, 6,608 tons milled producing 3,815 oz. of gold; Jan. 1949, 6,800 tons were milled for 4,421 oz. gold; Feb., 6,863 tons milled with recovery of 4,006 oz.; March, 8,666 tons milled with 4,471 oz. recovered; April 9,000 tons milled with recovery of 4,900 oz. (preliminary). The company had intended publishing a more complete report on company's operations at this time but it has been decided to defer this until return of the company's vice-president, A. J. Anderson, who is now en route to the property.



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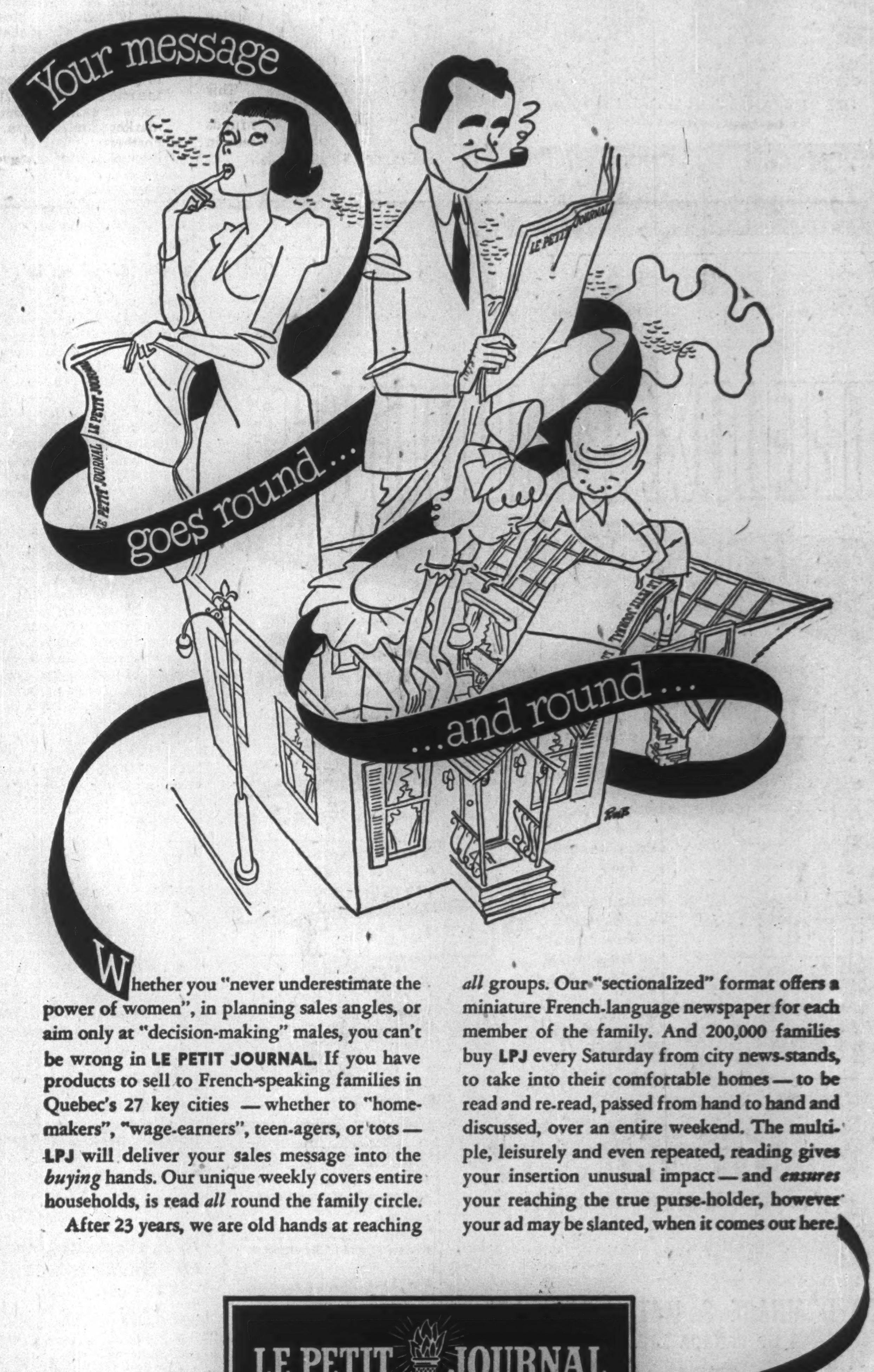
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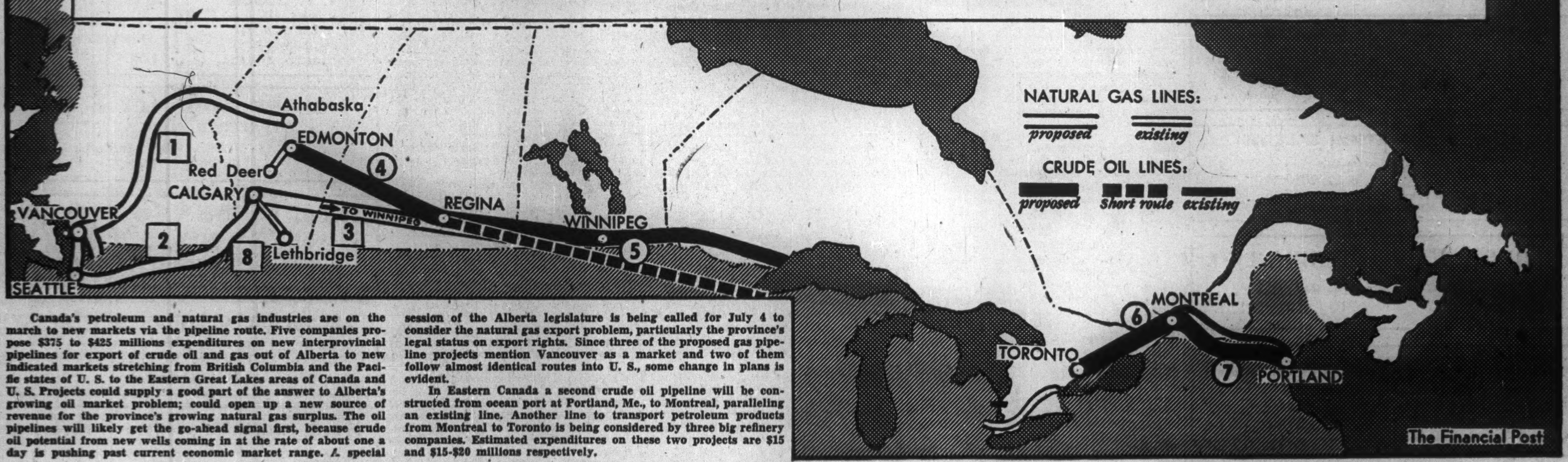
Here Are Likely Routes for $400 Million New Pipelines

They'll Carry Canada's Petroleum and Natural Gas to New and Wider Markets



Canada's petroleum and natural gas industries are on the march to new markets via the pipeline route. Five companies propose $375 to $425 millions expenditures on new interprovincial pipelines for export of crude oil and gas out of Alberta to new indicated markets stretching from British Columbia and the Pacific states of U. S. to the Eastern Great Lakes areas of Canada and U. S. Projects could supply a good part of the answer to Alberta's growing oil market problem; could open up a new source of revenue for the province's growing natural gas surplus. The oil pipelines will likely get the go-ahead signal first, because crude oil potential from new wells coming in at the rate of about one a day is pushing past current economic market range. A special session of the Alberta legislature is being called for July 4 to consider the natural gas export problem, particularly the province's legal status on export rights. Since three of the proposed gas pipeline projects mention Vancouver as a market and two of them follow almost identical routes into U. S., some change in plans is evident.

In Eastern Canada a second crude oil pipeline will be constructed from ocean port at Portland, Me., to Montreal, paralleling an existing line. Another line to transport petroleum products from Montreal to Toronto is being considered by three big refinery companies. Estimated expenditures on these two projects are $15 and $15-$20 millions respectively.

Here Are Details of Proposed Pipelines, Where They'll Likely Go, What They'll Cost

1. **Westcoast Transmission Co.** plans natural gas line from a point near Athabaska in Alberta west into British Columbia to Vancouver, thence south to Washington state and Seattle. Cost estimated at between $50 and $100 millions. Most of the capital will come from U. S. Federal charter has been obtained and application for permission to build will be heard before Board of Transport Commissioners June 10.

2. **Alberta Natural Gas Co.** proposes a gas pipeline from Alberta through Crow's Nest Pass into south-east British Columbia, thence into Montana or Idaho, west to Washington state and cities of Spokane and Seattle, finally north to Vancouver. (A branch would supply the Trail operations of Consolidated Mining & Smelting Co.) Estimated cost about $100 millions. Company has not yet received federal charter.

3. **Western Pipe Lines Co.** proposes to transport Alberta gas from Calgary eastward across Saskatchewan as far as Winnipeg in Manitoba, with branch lines supplying cities and towns in the vicinity of the line. Estimated expenditures are placed at around $48 millions. This company has received its federal charter. All of the funds would likely be raised in Canada for this project.

4. **Interprovincial Pipe Line Co.,** sponsored by Imperial Oil, is constructing a 16-in. 500-mile pipeline from Edmonton to Regina. Estimated cost around $40 millions. Orders for $9 millions of steel plate and other equipment have already been placed for the new line which is expected to come into operation about the end of 1950. This line will make it easier to extend the market for Alberta oil to northern United States, Manitoba and Ontario.

5. **Early extension of Interprovincial Pipe Line** from Regina to head of lakes announced by Imperial Oil. No definite route announced. All-Canadian route taken line would likely go via Winnipeg. Shortest route would cut across North Dakota, Minnesota; would place Alberta crude oil in competitive position for some of eastern Canada and U. S. markets; would solve most of present oil marketing problems.

6. **Trans-Northern Pipe Line Co.** looking into possibility of transporting refined petroleum products from Montreal refineries to Toronto. Project would be backed by British American Oil Co., McColl-Frontenac Oil Co. and Shell Oil Co. Cost is estimated at around $15 to $20 millions. Although Dominion charter has been granted no definite decision taken yet on line. The project would cut crude oil tanker imports into the Toronto area.

7. **Second Portland, Me., to Montreal** crude oil line paralleling present one will be completed in 1950. The line, some 275 miles long, will cost around $15 millions. Imperial Oil, British American, McColl-Frontenac and Shell Oil will all participate in new project. Portland is ocean port for much of Canada's imported crude supplies from Gulf of Mexico and South American fields.

8. **Prairie Pipe Lines Ltd.,** Alberta-incorporated, currently seeks Dominion charter for gas pipeline from Calgary west to Blairmore (Alta.), thence through Crow's Nest Pass to a point in B. C. near Kingsgate, thence down into U. S. along much the same route proposed by Alberta Natural Gas, finally back up into B. C. to Vancouver. Cost estimated at around $100 millions; most of capital sought in Canada.

The Catholic Church and Quebec Labor

How Papal Encyclicals Are Interpreted Here

Because of the widespread public interest in the relationship of some Roman Catholic clergy with the strike at Asbestos, The Financial Post herewith presents the results of a close examination of present church policy on social problems.

BY MICHAEL BARKWAY

QUEBEC, P.Q.—The Asbestos strike has revealed deep undercurrents in the life of Quebec which demand changes in usual Canadian conceptions about the province.

It may have important political consequences in losing support for Premier Maurice Duplessis, but the long-range significance is greater than any immediate political or economic development.

Two movements which have been growing gradually and relatively unnoticed are now brought to the surface. They are:

1. The growing determination of Quebec labor, including the Catholic syndicates as well as the international unions, to make their standards the same as those prevailing elsewhere in North America.

2. The parallel spread of general Catholic acceptance of more or less "liberal" interpretation of papal social doctrine.

These two factors happened to combine at Asbestos. It was to some extent a series of coincidences that brought the Canadian Johns-Manville Company into the forefront of this complex struggle and many other companies in Quebec are saying to themselves "There but for the grace of God go I."

Started in 1945

The new militancy of the Catholic syndicates started with the election of Gerard Picard as president of the Confederation in 1945. It has been intensified since the election last year of Jean Marchand as secretary.

Gerard Picard, the elder of the two, is in his middle forties. He is a small, sharp-featured, almost bird-like man with rimless glasses. He gained a licentiate in law from Laval University while working as a journalist and syndicate organiser in Quebec City.

Picard has been less in the limelight than Marchand, who is younger, fiery, shock-headed, pallid. He is the orator whose powers as a demagogue impressed Engish-speaking reporters at Asbestos. His French friends say "oui, pas mal. But, you know, he needs a microphone." Reporters say his speeches are socialistic. His friends say "Oh, he may sound like that. But he is not a socialist. He stands for the doctrines of the Church."

Marchand is a graduate of the School of Social Sciences at Laval. It is he whom Duplessis twice refused to receive as a member of labor delegations. It is he who, according to report, has lobbied most of the bishops to get their support for the syndicates. According to the claims of the syndicates it is he whom the provincial police are most anxious "to get something on."

Until these men injected new drive into the syndicates, the organization had been pretty much on a local basis. Now the syndicates are determined to wipe out the reproach of the international unions that they do their bargaining on a company basis. The local syndicates are grouped in industrial federations, which in turn are grouped in the province-wide confederation of Canadian Catholic Workers. The negotiations with Johns-Manville are conducted by the Federation of Asbestos Workers, not the local Asbestos syndicate, and the Federation is supported by the Confederation leaders, Picard and Marchand.

Against Duplessis

On all sides the strike is described as being directed against the Duplessis Government as much as against the company; and from talks with their leaders it is evident that the syndicates share with the international unions the conviction that Duplessis is out to "break" labor in Quebec. A joint conference of CIO, AFL and the Catholic Workers' Confederation was formed early this year to fight the Duplessis labor bill. It is still in being. Labor men cite as further proof of what they call Duplessis' anti-labor bias, the appointment of arbitrators who they claim are biased against labor, and even cases of interference with judges appointed to try labor cases.

Nevertheless the more experienced and skilful leaders of the CIO and AFL would probably have avoided the position the syndicates have got themselves into at Asbestos. They have not only launched an illegal strike; they have come near to landing the Church in conflict with the Government.

Some people have tried to put responsibility for the strike on a few leaders—notably Marchand and Picard—whom they call "fantatical, ambitious and socialistic." But it goes beyond that. Cautious as the bishops have been, influential and pervasive groups within the church are teaching a social doctrine which tallies well with the new attitude of the syndicates.

Growing Church Movement

Since 1891 when Pope Leo XIII published the encyclical Rerum Novarum there has been a growing movement within the church on social questions, spurred on 40 years later by Pope Pius XI's encyclical Quadragesimo Anno. This latter encyclical specially commended the study of social questions in Catholic universities and seminaries, and for 10 years Laval University has had a school of social sciences. Its graduates, both clerical and lay, are now beginning to take positions of prominence; and its influence, which has been compared to that of the London School of Economics on British life, may be expected to increase.

The dean of the social science faculty is Father Levesque, a Dominican. The faculty includes laymen as well as priests and most of them have studied either in the United States or in Europe. Along with the Laval science school under Dean Adrien Pouliot, the faculty represents a very marked departure from the old and oft-criticized system of Catholic education which was supposed to turn out only priests and lawyers.

Duplessis has already expressed worry about it. When he was asked to put up a government grant for extensions to Laval University he offered $4 millions. But when he saw the new plans and spotted a new building for the social science school it is reported that he said "Not a penny for that." The university got the money, but there is no new building for social science.

From this school have graduated not only syndicate leaders like Jean Marchand but also priests who now serve as union chaplains and some of the younger members of an influential body called the Sacerdotal Commission of Social Studies.

Appointed by Bishops

This commission consists of seven priests appointed by the bishops of the civil province of Quebec in February, 1948, to study and report on social questions and "to work for unity of thought and action among all priests engaged in social action." The commission is headed by Monsignor Leclaire, vicar-general of the diocese of St. Hyacinthe. It includes three priests who are chaplains to syndicates, two who are chaplains to employers' organizations and one who teaches social science in the theological faculty at the University of Montreal.

The Commission will soon issue a report which is to be entitled "The Participation of the Worker in the Life of the Enterprise." It will insist on the papal doctrine that the worker is a full partner in business and industry, but will not propose a socialist solution. The church is firmly opposed to Socialism. Quadragesimo Anno, reaffirmed the other day by Pius XII, admits that "certain categories of undertaking can legitimately be reserved to the public authority, because they possess such power that they cannot be abandoned to private hands without endangering the common good." Yet, as Pius XII added, "It would reverse the proper order of things to make this the normal rule of economic organization . . . The economy is not by nature an institution of the state."

The Commission report will commend the principle of profit-sharing, and declare that wages are not the most important thing. "Participation in the life of the enterprise" is, it will say, the key to proper industrial relations. One priest went so far as to say "The wage system is the road to ruin."

The Auxiliary Bishop of Quebec, Monsignor Charles-Omer Garant, was indignant recently when he was reported as suggesting the general theme that workers should be represented on the board of directors of companies—not because he had not said this, but because this suggestion was reported without the complementary part of his speech which stressed the duties of workers to their employers.

A report already issued by the Sacerdotal Commission about workers' and employers' organization stresses the need for strong organization on both sides and for close collaboration between them. It recommends virtually a corporate organization of industry by industrial units. If most of the accent at the present time is on the workers' needs and rights, this is because, the priests would say, they are most in need of protection.

From a source close to the Commission I learned this interpretation of Catholic doctrine:

There is, I was told, always a presumption in favor of law. But laws can be unjust, and justice comes first. "Social justice comes before legality." (This has an important bearing on the Asbestos affair.)

The Church teaches, my informant went on, that:

1. Every man has a right to own property.

2. He has a right to hold that property and pass it on to his children.

But if one man or company or interest has so much property as to interfere with other people's right to property then the first principle comes before the second: in other words it may be the duty of the big owner to give up some of his property so that others may have some.

As an illustration of this point I was told the Church has always taught that a starving man may take a loaf of bread from a baker's shop: he will not be stealing: the bread actually belongs to him (in a moral sense) by virtue of his need.

The explanation of the ferment now going on in Quebec lies in the wide latitude of discussion which the Church allows in these matters. Because one particular parish priest holds a certain view or takes certain actions, it cannot be assumed that the whole weight of the church is behind him. It may be perfectly acceptable to the church that a parish priest (say, Father Camirand at Asbestos) should take a certain attitude which it would be wrong for a bishop to take. The syndicate leaders, equally, are responsible for their own actions. The encyclicals admit varying interpretations, and so long as a Catholic priest or layman does not fall into heresy, argument about interpretation is entirely permissible.

The Bishops' Strike Appeal

The use of quotations from Quadragesimo Anno in a booklet about the strike published by the Johns-Manville Co. and signed by its chairman, Lewis Brown, has been resented in church circles, where it is said that an encyclical is a document to be read as a whole and not judged by mere quotations, and that the church is ready to do its own interpretation without outside help. But no one questions the right of the faithful layman to contribute or not to contribute to the collections for the strikers. The bishops' appeal for collections came as a considerable shock in many rural and well-to-do parishes, even although it was based on charity rather than direct support of the strike.

All this makes it difficult to estimate how far the more advanced social thinking has penetrated to the higher ranks of the church. But there are some signs which may be straws in the wind.

Bishops and Strike Fund

The majority of the Quebec bishops, I am assured, are still nationalist in outlook and inclined to the right-wing in social affairs. But the appeal for collections for the strikers has been supported even by the bishops most favorable to Duplessis. Those who did not like it on social grounds found it difficult to resist on "confessional" grounds. It is said that they were told very plainly that if the syndicate did not get support from the church, they could always take themselves off to the CIO.

It is moreover entirely possible that papal influence is being exerted in the direction of a "liberal" social doctrine. In this highly ecclesiastical city people are frequently quoting a statement of the last pope, Pius XI, who said: "The great scandal of the 19th Century was that the church lost the working classes." The Vatican, facing its bitter struggle with the Communists in Europe, will be at some pains, it is thought, to urge on the North American bishops that they must not make the mistake of losing touch with the working classes.

The contention of the syndicates that Quebec labor conditions must be the same as in the rest of North America is in line with this. The church paper here, L'Action Catholique, published recently the text of a sermon by Monsignor Melancon, the Bishop of Chicoutimi, in which he said "Contrary to what some unhappy ignoramuses say, the social doctrine of the church applies to our province as to all the countries of the world." In the same sermon he added, "The Church wishes to raise up the working classes, and this improvement (relèvement) will be made by organizational improvements, by social security measures, and by healthy legislation which should not merely be granted to the workers, but cannot and should not be established without their active participation."

Archbishop Backs Syndicates

Monsignor Charbonneau, Archbishop of Montreal, is a fighter who has been outspoken in favor of the syndicates. On May 2nd when he launched his appeal for collections for the strikers, according to newspaper reports, he told the congregation at Notre Dame church in Montreal: "The working-class is the victim of a conspiracy which wishes to crush it. And when there is a conspiracy to crush the working class, it is the duty of the church to intervene."

This was the first sermon the Archbishop preached after his return from Rome where it is known he had several talks with the Pope about social questions. Archbishop Roy of Quebec has also just returned from Rome, and all the North American bishops will go there this year on what are called "ad limina" visits, which are normally made every five years. They will all be received by the Pope. (The Bishop of Sherbrooke is in Rome now.)

Archbishop's Position

The Archbishop of Quebec is in a very delicate position. Although he commands immense influence, and is being very cautious in the use of it, he has no direct authority outside his own diocese. He can give no orders to other bishops. The see of Quebec derives much of its prestige from the fact that its archbishop is generally a cardinal. But Monsignor Roy has not yet received the Cardinal's hat. He is younger than most of the other bishops, and the more nationalist among them mistrust him as too ready to co-operate with English Canada.

His influence has been exerted in every possible way to bring about a settlement of this strike and to keep a just balance between the different interpretations of Catholic social doctrine, but the balance is not easy to reach.

Everyone I have talked to in the province has agreed that the Roman Catholic hierarchy will be most unwilling to come into open conflict either with the government or with employers. Most of the bishops have fairly close ties with the government in one way or another, and the church is giving the same encouragement to employers' organizations as to workers' syndicates. But the workers' cause is finding ecclesiastical and academic support which would have been unthinkable a generation ago.

What are the long-range significances, immediate political implications of the apparently new militant attitude of the Catholic syndicates in Quebec? What is the position of the church? How far does the position of Premier Maurice Duplessis appear to be threatened? What is the meaning of the labor doctrine to be stated in the report of the Sacerdotal Commission of Social Studies that the worker "must be a full partner in business and industry"?

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Careers for Canadians—XV

Understanding of Human Needs, Desires, Hopes, Fears, These Are Essentials For Success in Advertising

By ALEX M. MILLER
(Manager, Canadian Association of Advertising Agencies)

Initiative and ideas are the principal ingredients of the advertising business, underscore heavily the personality requirements of those who will succeed in this field.

Alex M. Miller, manager, Canadian Association of Advertising Agencies, puts particular emphasis on this thought in discussing advertising as a career. The 15th in The Post's series designed to help young Canadians — and their parents — decide the all-important question of their future.

The only product an advertising agency has to sell is an aggregation of brains.

To the job applicant, this has an important meaning. It earmarks advertising as an enterprise profession, of which initiative and ideas are the principal ingredients. It underscores heavily the personality requirements of those who will succeed in this field.

All an individual man has to sell in the advertising business is what he knows and what he can do, plus the will to do. He must be patient, able to bear with people when they are being difficult, capable of seeing others' point of view, and able to evaluate factors and put them together. He should have the type of mind which makes a creative planner. He should have an instinctive and deep understanding, sympathy, and liking for people—for advertising deals with people. He should show steadiness of purpose, continuity of effort, and be a bit better each month.

That may sound like a tall order. But it doesn't follow that a man need be a genius. What is necessary is that he have faith in himself, that he have judgment.

If I were hiring a man I would want to know what he had done during or after his formal education career to prove that he really wants to get into advertising. What books has he read? What courses has he taken? What indications does he give that he had been working all along with some such end in view?

For even while still in school or college, it is possible to pick up experience which will prove useful in a later advertising career.

Take summer holiday jobs, for example. One can meet people of all kinds, shapes, and sizes by working at a summer resort. Excellent experience can be gained working on a newspaper, either daily or weekly. The same applies to selling in stores where an opportunity of meeting the public is presented. Working for mail order, direct mail, or print shops offers fine opportunity for training.

Piecing together a composite picture of the ideal training, I'd say that a man should have worked in a print shop, behind a counter, have been a good reporter, and should be able to put words together properly.

Every aspiring advertising man should read the latest books on the tools of printing and engraving trades. On the broader field of advertising practice he will find lots of good basic textbooks in the libraries. In fact, almost everything a man reads will some day be useful to him in advertising

He should have a good knowledge of the geography of his country, and of the basic statistics on volume of business and purchasing power in each part of it. Even so, the young aspiring advertising man will learn more from men who know the field than he will from books.

Don't Go Stupid Studying

Academic background will naturally prove valuable no matter what phase of advertising he enters or where he aims. But it shouldn't be forgotten that it is possible to "study yourself stupid." Formal education is not the only way, and students bent on an advertising career needn't strive to head their class at the expense of other phases in life.

To some extent, distinction in sports and social activities while at school or university is an asset in any business, providing you don't pay too much for it. Judgment, of course, remains the important factor.

Suppose next that a young man has finished his school or university work (postgraduate work is not really necessary here; one can stay too long in an academic career and delay success in the advertising business), and is panting to get started. Were I in his shoes, I'd seek the advice of the more important men in the field. In the first place, this flatters the older and more successful men; secondly, a young man does stand a chance of getting some good advice.

What openings is he likely to find? In Canada today there are approximately 2,000 people in advertising agency work, and half of these are clerical. In the broader field of agencies, publications, and the advertising departments of various companies, there may be 8,000 people engaged in the various fields (art, mechanical, creative, and clerical). Normally, the personnel or labor turnover is not more than 10% a year.

I think we can look for some expansion in the advertising field in this country. Canada has grown up industrially, and advertising will expand with Canada. Look at our capital expenditure figures, growing all the time. Immigration is adding to our population, and we need population for mass production markets. We are only at the threshold . . . you can see I'm a bull on Canada.

No, I don't think advertising is crowded. There are always openings for unusual men. However, in the advertising business one must be productive right at the start. Usually it's necessary to start in a junior position until a niche is found for you, or, better, until you find one for yourself.

A single man should make a living even at the beginning, but a married man with children might have a tough time until he is able to prove himself. I'd say that if a man can't make $2,500 at the beginning, then advertising may not be his field. There are exceptions, of course, such as the cases in which a young man starts out as a junior clerk and is later successful in working his way up.

Initiative being what it is in the advertising field, a man possessing it may find his rise to success much faster than it would be, for instance, in a bank or financial institution. It would be hard to generalize about what a man's probable earnings would be after five, 10, or 15 years.

It's a Big City Job

The big city is the natural place to break into the advertising field, since opportunities tend to be proportionate to head office concentration . . . that is, more advertising business is obtained in the larger places where organizations have their main offices and high policy and executive decisions are made. However, some specialists have started in small ways in small cities, and with some success.

Setting up one's own business is not the normal pattern, and can be definitely ruled out for anyone who hasn't had previous experience in the established agencies. To get started, a new agency must have a sizeable chunk of billings as well as a substantial amount of working capital.

To qualify for the discounts from media upon which most agencies operate, one must satisfy the varying requirements and qualifications of the Periodical Press Association (general, farm, trade), Canadian Daily Newspapers Association, Canadian Weekly Newspapers Association, Canadian Association of Broadcasters, Poster Association, Class A Weeklies, etc.

Furthermore, you must know what you're doing. In bad times, advertising is one of the first to feel the pinch. Budgets are frequently based on anticipated volume of sales, and, when people get dubious, they tend to get trimmed.

However, there is a minimum beyond which nation-wide companies cannot go, because advertising is the medium through which morale of salesmen, retailers, and public is sustained. It is, in fact, the lowest cost factor in distribution and should be sustained within economic reason.

What sort of life can one expect to lead in advertising? The pressure is pretty high most of the time for creative and contact staff. Sales meetings and travel will be greedy of one's "outside" hours. The budgeting period in the fall is very high pressure for everyone.

ALEX M. MILLER, Scottish-born manager of the Canadian Association of Advertising Agencies started life as parceler in a Toronto department store, later put himself through Knox College by working as a fire ranger in summer, night watchman in winter. A former president of the Association of Canadian Advertisers he was for 13 years director of advertising for Chrysler Corp. of Canada; during the war was public and industrial relations adviser for a group of war industries. The association he now represents comprises 32 agencies which handle 90% of Canada's advertising billings.

Advertising men hold many memberships in clubs and other social activities, but pressure of work prevents most of them from participating keenly in such pursuits. Unpredictability of hours makes it difficult for advertising people to be as active socially as they would like to be.

But there are compensations, both in advertising itself and in what it might lead to.

What Advertising Does

I like everything about the advertising field. It is one of the great dynamic forces in life. It is beneficient. It raises the standard of living. It is essential to keep the wheels of industry and business turning. War taught us democracy just doesn't work unless people are informed—and that's a job for advertising as well as of the press. One of the main functions of advertising is to inform the common man about how business operates. The men who matter are the enterprisers who make jobs for other men.

True, advertising has to some degree a lunatic fringe, but professions are never really judged by these.

The good agency man must have experience in all phases of business and merchandising, and this experience is often a stepping stone to success in other fields.

There is already a noticeable tendency in the United States for advertising managers and agency men to step into high executive rank in business and industry. Something similar can no doubt be expected here.

In any case, agency men should be in the councils and in the confidence of their clients and their clients' companies.

The foregoing is intended to give the aspirant an idea of some of the things he may anticipate if he enters the advertising field.

There is a further topic, appropriate to this article, which has been of keen interest to the association I represent. I refer to the CAAA's pioneering work on aptitude testing. While the prime concern of the tests we held in Toronto last fall was to judge aptitude for advertising careers, we gained knowledge which will be of general interest to other fields as well.

In another month or two, some 100,000 young people will be coming out of Canada's high schools. Only a small portion of these will be "self-starters"—certainly not more than 2% and more likely 1%. The small percentage of self-starters—that is, people with a creative business urge—constitutes a national problem.

Actually there are more young fossils than old ones. Many youngsters get into a rut early in life these days. If they do not fossilize by 25, they may not do so until they are old. This means they will be creative producers during the "useful" part of their lives.

Now, since only a small percentage of young people are self-starters, the crux of our national problem becomes one of striving in some way to head young people into their proper channels so they will become "fits" instead of misfits in life. Only in this way can they become useful citizens to their country, rather than problems to business and to society in general.

Tests Need More Trial

We now have the knowledge and the techniques in vocational guidance to solve this problem of getting people into suitable work on the basis of their education, background, interest, etc. Aptitudes can be tested with a high degree of accuracy not obtainable 25 years ago. But, while I am convinced of the validity and value of such tests, the sympathy and understanding with which they are applied by the employer is as important as the actual test reports.

Personally I hope that in the future aptitude tests will be used universally. I believe a system of analysis should be applied at the end of the high school career. In vocational schools, such analysis should be applied before the students choose their courses.

The attempt should also be made to estimate the number of people required for various occupations so that the two can be matched together. Possibly this could be undertaken through co-operation of government, business, boards of trade, chambers of commerce, and other channels.

To the beginner, my advice is to choose a career early. Decide realistically where you want to be 10 years from now. You may not reach your aim, but you'll come close to it. If you mean it, that is. If it's only a wish, your chances of success are very slim. Get vicarious experience; meet the people who are doing what you are thinking about, what you want to do.

Early marriage shouldn't harm your career. In fact, I'm all for it. Adjustments are made more easily early in life, and I contend that early marriages make for more happy marriages. Young parents are able to play with their children. The closer parents get in age to their children, the better they understand the world's problems. To the man entering the advertising field especially, that means something.

Summing up, I'd say that the single thing which is most essential for success in the advertising field is a deep understanding of the way people think and why . . . what makes them buy . . . an understanding of human needs, desires, hopes, and fears. The business is by, with, and for people. The advertising man who doesn't like or understand people won't reach top success.

United Keno Doubles Mill

New Parallel Vein Runs High in Both Lead and Silver Values

From Our Own Correspondent

EDMONTON — United Keno Hill Mines, Yukon producer of silver and lead, will double its milling capacity by January, 1950, to handle additional ore from a new vein discovered near the mine being worked, according to H. B. Hicks, mine manager.

Hicks said milling capacity will be increased from 125 to 250 tons per day. The necessary new equipment is on order.

The new vein was discovered 200 ft. south of, and parallel to the vein from which the company has been taking about 90% of its ore. In 200 ft. of drifting so far, the mine has found, over widths averaging 5 ft., ore running 70 oz. silver to the ton and 10% lead. At current prices, this metals content is worth about $78 per ton, compared with mill heads currently averaging $63 a ton.

Hicks said the federal government has appropriated sufficient funds to complete the 92-mile road from Mayo to Minto on the Yukon River and to construct a new 40-mile road in the Whitehorse direction. The Mayo-Minto road will eliminate a transportation bottleneck by making it unnecessary to freight on 220 miles of winding river tributary to the Yukon. The new 40-mile road will provide better access to a coal mine for central heating the camp. Completion of the 92-mile federal road is absolutely essential to expansion of production, Hicks claimed.

United Keno will be a wholly Canadian operation from now on. It has been shipping the concentrates to an Idaho smelter, but has switched to the Consolidated Mining & Smelting Co. smelter at Trail, B.C., effective this summer.

Hicks said Conwest, chief backer of United Keno along with the Frobisher operating subsidiary of Ventures Ltd., is planning an extensive exploration of base metals possibilities elsewhere in the Yukon this summer.

Plan Miniature Newsprint Mill

MONTREAL (Staff) — First miniature newsprint mill in North America is being built at Three Rivers by Stadler, Hurter & Co., engineers. The mill will be housed in the newsprint school in that city and will enable students to gain practical knowledge of newsprint mill operations.

ROCAMSA MINES did not carry out any work on its Lebel twp. property in 1948 and no further work is planned in the current year. Balance sheet as at Dec. 31, 1948 showed $7,802 cash as against accounts payable of $6,075.

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INCOME TAX

Income Tax Exemptions

When Parliament was dissolved the new income tax changes proposed in the budget had not been passed. How does this affect the individual's actual income tax for 1949?

If the present government is returned to power the changes proposed in the budget will probably become law. If a new government is elected it may adopt the present proposals or may have a different scale of exemptions and rates. Meanwhile the exemptions and rates proposed in the budget are accepted in actual practice pending the result of the election.

INVESTMENTS

Eastern Steel Prod.

Would you please give me some information on Eastern Steel Products, Ltd.?

Eastern Steel Products, Ltd. common stock is currently selling around $6⅞ a share to yield about 8.72% on the basis of its present 60c annual dividend rate.

Earnings per common share for the fiscal years ended Nov. 30 were 92c in 1948, $1.13 in 1947, 82c in 1946 and 52c in 1945. Present common has only been outstanding since early in 1946, following subdivision of the old common stock on the basis of four new shares for each old one.

Operations for the current fiscal year which started Dec. 1, 1948, are ahead of the similar period last year, General Manager F. J. Madely told shareholders at the annual meeting recently. Operations generally for the current fiscal year are expected to be better than for the year ended Nov. 30, 1948, he added. The company has a very substantial backlog of orders on hand.

The decrease in 1948 net profit was caused by higher wages and salaries and a rise in expenses of a nonrecurring nature including rearrangement of manufacturing equipment to provide for increased production and operating efficiency, President A. B. Davidson stated in the annual report. Dollar volume of sales for the year showed an increase.

Capitalization outstanding at April 1, 1949, consisted of $530,000 2½%-3¾% serial debentures due 1950 to 1961; $1,110,000 4% sinking fund debentures due 1966 and 288,144 no par value common shares.

Working capital was $1,779,000 as compared with $1,561,967 a year before and with $1,070,581 at Nov. 30, 1945.

The company manufactures and installs sheet metal and other building materials, erects sheet metal buildings, manufactures and sells sheet metal and other products; manufactures and distributes steel drums and tanks, dump-truck bodies, snow removal equipment, road scrapers, hoists and other lines fabricated from heavy sheet metal.

Operation of its two subsidiaries, A. B. Ormsby Co. and W. D. Beath & Son Ltd., were merged with the parent company on Dec. 1, 1947.

Royalite & Home

Would you tell me how Royalite and Home have been doing recently and their chances for future growth? Would you say their longer term prospects are very bright?

Both Royalite Oil Co. and Home Oil Co. have been doing very well recently and there appear to be good prospects for both companies increasing their output of crude oil.

Looking at the situation from the long-term standpoint, however, it appears likely that the price of crude oil will decline in the Canadian west and this should be borne in mind in assessing the prospects of all western oil companies. As western oil goes farther afield, it is expected that the price in the field will decline from approximately $3 a barrel to $2 a barrel even without any decline in the price of crude oil in the world at large. Then crude oil is becoming much more plentiful—there is even talk of United States putting up a stiff tariff barrier against foreign oil— and it is quite possible that the world price of crude may experience a reduction. We are optimistic about western oil prospects, but these are factors which we feel should be kept in mind.

Royalite Oil Co. plans to pay dividends on its present common shares at the rate of 25c a share per annum even though large sums have been invested recently in new projects. The company expects to have 16 successful wells completed on its section in Redwater by the end of June and the company's engineers estimate recoverable oil reserves for this section at approximately 16 to 20 million bbl.

Exploration programs are being carried on in the Morinville, Monitor, Lac Labiche, and Blackfoot sections and the company is one of the most active in the western field at the present time.

Earnings in 1948 were equivalent to 50c a share on the company's present issued stock and we would think that earnings are substantially higher today due to the success in bringing new wells into production in the Redwater field.

Home Oil Co. has enjoyed a further major success in the development of new crude oil reserves in recent drilling in the Woodbend area. The company owns a 40% interest in the Anglo-Home-Woodbend No. 3 well which encountered commercial crude oil in both D-2 and D-3 zones of the Devonian. Earnings last year were equal to 51.7c a share with net production revenue of $4,537,188. Output has been at a higher level this year with March accounting for $580,000 alone. A further extension of successful drilling is anticipated but marketing may become somewhat of a problem.

United Steel Corp.

What are the earnings outlook for United Steel Corp.? I notice that the market price for its stock has been declining recently.

At the annual meeting on April 27, 1949, it was stated that orders on hand amounted to approximately $3.7 millions and that this represented at least four months capacity operations. While backlog of orders is down from last year's $6 million, management thinks this just reflects the general business trend to more normal business methods where customers place smaller orders for earlier deliveries.

Net profit for 1948 amounted to $800,668, equal to $1.63 a common share as compared with $1.28 for 1947. A dividend of 15c a share has been declared payable on the common stock on June 30, 1949.

Erndale Mines

What is the present position of Erndale Mines? Does the property look like one which could form the basis of a successful operation?

Erndale Mines owns a gold property of 16 claims in the Swayze area, Sudbury Mining Division, Ontario, which was acquired from Kenty Gold Mines in 1946 for $10,000 cash. Previous operators thought that commercial possibilities of the property had been pretty well exhausted—values ran high but widths were narrow and the shoots were discontinuous—but substantial reserves have been claimed by the present management headed by H. J. Craddock of Trenton.

On April 30, 1949, we reported that a first mortgage bond issue of $100,000 had been created and it was hoped that these bonds could be sold to net the company $85,500 which the company thinks will be sufficient to permit the property to be placed in production. There is some indebtedness, however, and it is quite possible that financial requirements may involve funds beyond those which can be provided through a $100,000 bond issue. A 100-ton mill was taken into the property last spring which will assist the company in reaching production.

METAL SIGNS, LTD., St. Thomas, Ont., sales and net profits for the year ended Feb. 28, 1949 were at new highs. Backlog of orders at year end was approximately the same as a year earlier. Fixed assets were increased by more than $69,000 during the year and working capital by more than $80,000. There is an apparent increasing caution on part of buyers but company anticipates that the current year will be satisfactory. Sales staff is being augmented and lines are being broadened to maintain present volume, but it is felt that profits will be somewhat lower.

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More Field Work Indicated In B. C. Aluminum Industry

MONTREAL (Staff) — Second of the exploratory stages leading to a proposed aluminum industry in British Columbia was started this week with the announcement that B. C. International Engineering Co. had been formed with Vancouver headquarters.

This it is understood, is a Canadian subsidiary of International Engineering Co., San Francisco, which undertook preliminary field survey work in British Columbia last year for Aluminum Co. of Canada.

This move indicates that reports from last year's preliminary investigations were favorable. At that time, Alcan stated it was prepared to spend $1 million on further engineering plans and studies, if results warranted.

This second phase of exploration work will entail a more thorough study of hydro-electric sites. This year's effort will centre on foundation studies for a dam at the head of Nechako River.

This river drains both the Eutsuk-Whitesail-Kinsquit and the Tahtsa-Kemand systems. It has been estimated the systems are capable of supplying ¾ to one million hp each. By damming back the Nechako the two systems can be combined to produce 1.5 million hp.

This project would mean an earth or rock fill dam over 800 feet high (one of the largest in the world) and would represent the biggest water diversion scheme ever undertaken in Canada.

CPR Orders Ferry For West Coast

MONTREAL (Staff) — A new passenger and auto ferry for the Vancouver-Nanaimo run has been ordered by Canadian Pacific Railway. Construction is to start immediately at Govan, Scotland. The new ferry will be 340 ft. long and weigh 6,000 tons, with accommodation for 1,500 passengers and 130 cars. Its combined restaurant and coffee bar will accommodate 158 persons.

Traffic between Nanaimo and Vancouver is becoming greater than the present services can readily handle, having risen from 40,000 in 1939 to nearly 80,000 annually now. The new ship will replace the Princess Elaine in the year-round service, although the Elaine will operate regularly during the summer and as an auxiliary in the winter.

Distinctive
FINE
TAILORING
for
GENTLEMEN
Lloyd Bros. Limited
LEVY BROS.
69 WEST KING ST. TORONTO

SOFT • MEDIUM • HARD
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Diamond Drill Bits for
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WHEEL TRUEING TOOL CO.
OF CANADA, LIMITED
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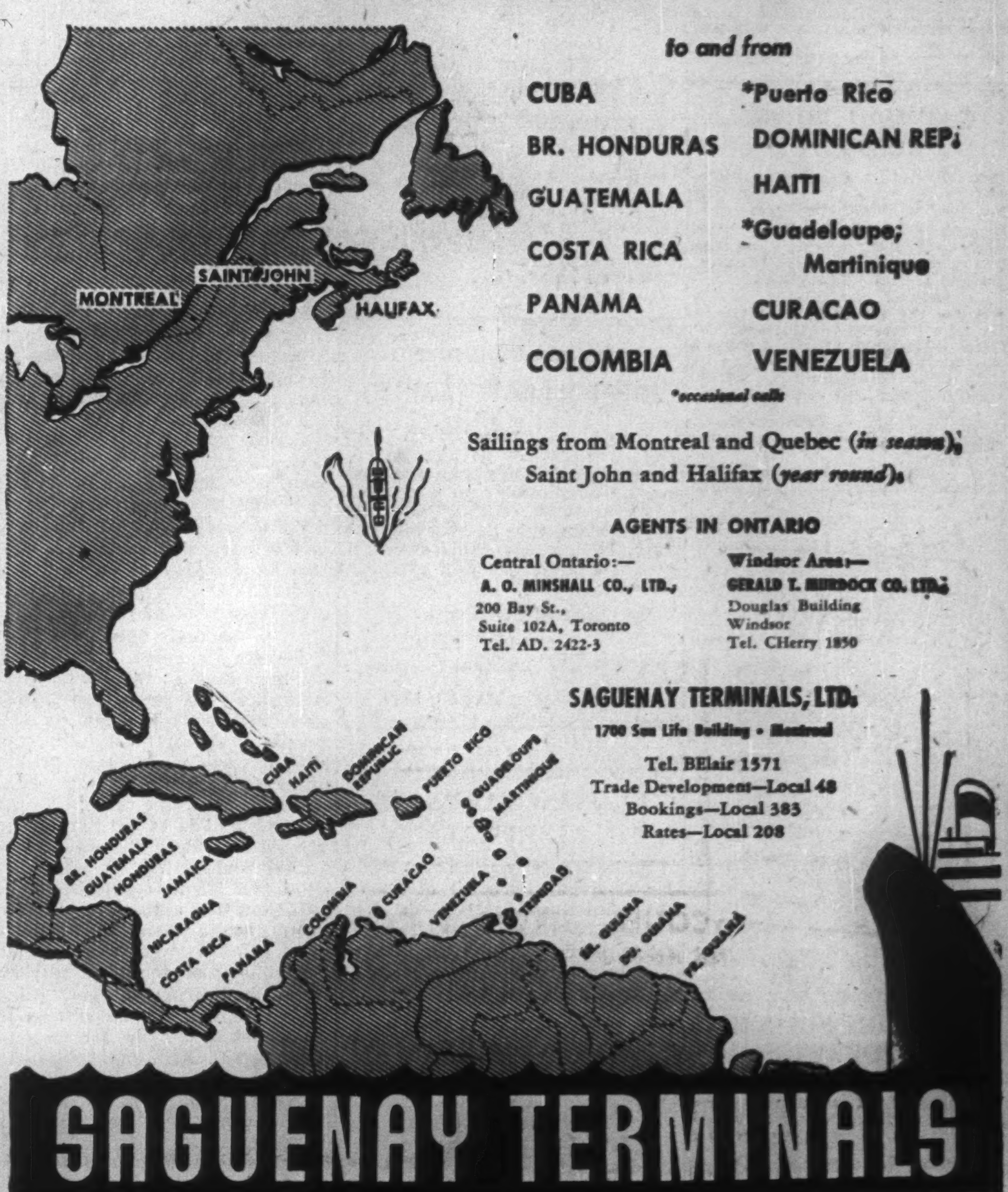
REGULAR FREQUENT **CANADIAN FREIGHT SERVICES**



to and from

CUBA
BR. HONDURAS
GUATEMALA
COSTA RICA
PANAMA
COLOMBIA
*Puerto Rico
DOMINICAN REP.
HAITI
*Guadeloupe; Martinique
CURACAO
VENEZUELA

*occasional calls

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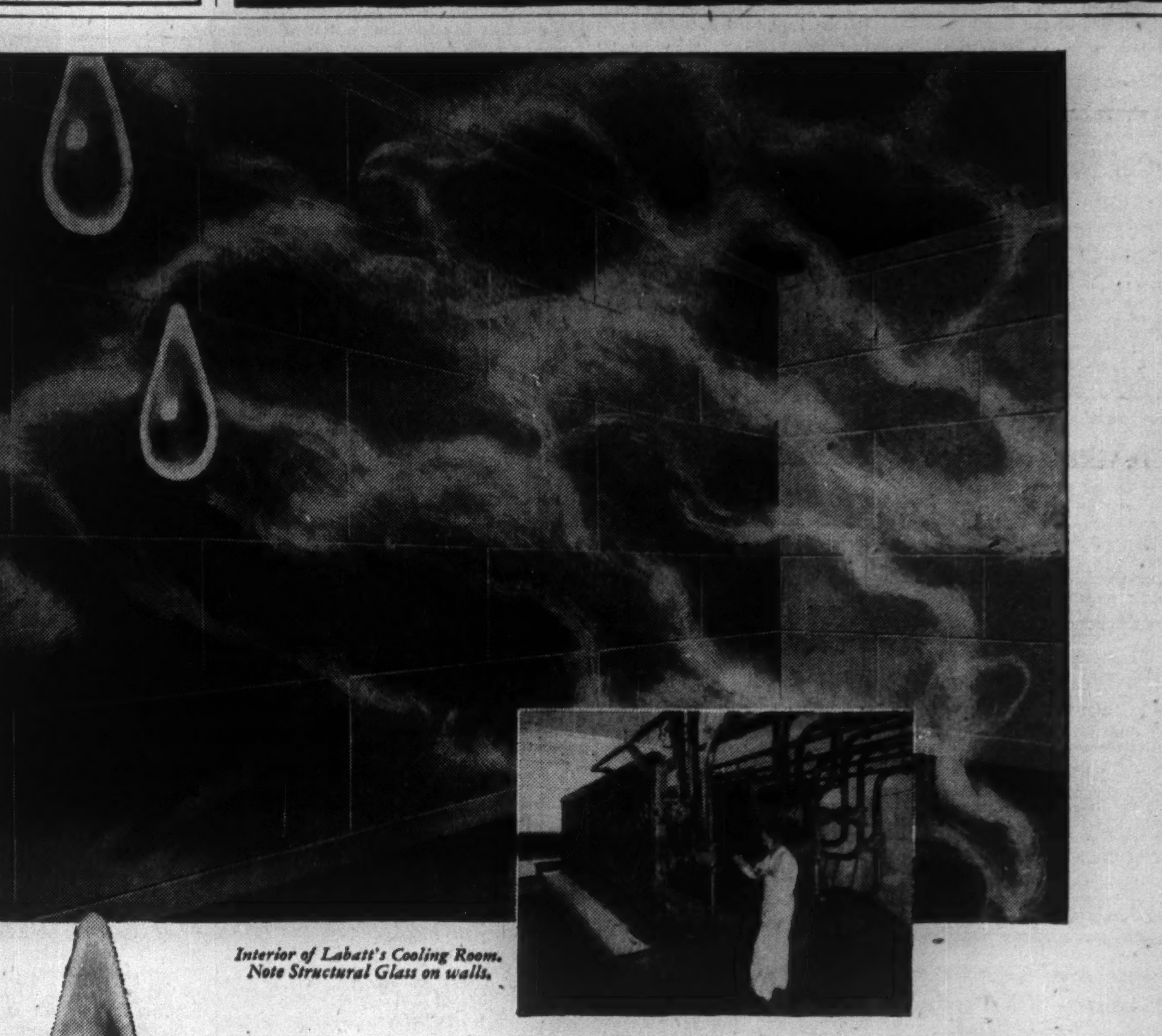


Interior of Labatt's Cooling Room. Note Structural Glass on walls.

The wall wept happily ever after

- This is the story of a Frustrated Wall that couldn't shed its tears.

The air is full of moisture in the cooling room at John Labatt Limited, London. Beads of water condense on the walls.

The wall Labatt's used to have in the cooling room soaked up these condensed 'tears' like a good blotter. This caused the wall to rot and crumble. Maintenance was costly and continual.

Labatt plant engineers got together with Hobbs Glass Limited on the problem. Hobbs found the answer: walls of STRUCTURAL GLASS . . . strong, sanitary, *moisture-proof*. Labatt's new STRUCTURAL GLASS wall has wept happily ever since . . . *shedding* its 'tears', instead of soaking 'em up and crumbling.

Every day, Canadian architects are solving more and more problems in insulating, lighting and decorating with glass by Hobbs . . . in factories, offices and homes. In Canada—it's HOBBS for glass! Hobbs Glass Limited, London, Canada.

Also sold in Canada by Hobbs: Twindow insulating windowpanes, Foamglas insulation, Coolite glare- and heat-reducing glass, Corrugated glass, Herculite tempered glass, Nucite glass chalkboard, Plate glass, Safety glass, Mirrors, Pittsburgh Paints.

Look to GLASS for better living
. . . Come to HOBBS for GLASS!

HOBBS GLASS, PAINT

DIVIDEND NOTICES

CANADA PERMANENT MORTGAGE CORPORATION

Notice is hereby given that a Dividend of TWO PER CENT. on the paid-up Capital Stock of the Corporation has been declared for the current quarter, and that the same will be payable

SATURDAY, THE SECOND DAY OF JULY

next, to Shareholders of record at the close of business on the Fifteenth day of June, 1949.

J. W. ROSE, JR.,
Secretary.

TORONTO, May 18th, 1949.

GATINEAU POWER COMPANY

Notice of Dividend on 5% Cumulative Preferred, 5½% Cumulative Preferred and Common Shares.

Quarterly dividends have been declared of $1.25 a share on the 5% Cumulative Preferred Shares, $1.38 a share on the 5½% Cumulative Preferred Shares and 30c a share on the Common Shares, in each case payable July 1, 1949, to holders of record at the close of business June 1, 1949. Cheques in payment will be mailed. Stock Transfer Books will not be closed.

J. R. BINKS,
Montreal, Canada. Secretary.
May 18, 1949.

DIVIDEND NOTICE
HENDERSHOT PAPER PRODUCTS, LIMITED

The Board of Directors of Hendershot Paper Products Limited, at a meeting thereof held on May 16th, 1949, declared a ninth quarterly dividend of 25c per share on all outstanding Common Shares of the Company, payable July 2nd, 1949, to shareholders of record at the close of business June 17th, 1949.

By order of the Board.
J. C. Colclough,
Secretary-Treasurer.

DOMINION SQUARE CORPORATION

Notice is hereby given that a dividend of fifty cents (50c) a share has been declared on the capital stock of the Corporation for the quarter ended 30th April, 1949, payable 15th July, 1949, to shareholders of record at the close of business on the 15th June, 1949.

By Order of the Board,
J. S. McFARLAND,
Secretary.

General Petroleums Limited

NOTICE OF DIVIDEND

Notice is hereby given that a dividend of Two Cents (2c) per share has been declared payable to the Ordinary and Class "A" Shareholders of record on the books of the Company at the close of business on Wednesday, the 15th day of June, 1949, and that the said dividend is payable on Tuesday, the 5th day of July, 1949.

Shares of the Company are transferable at the office of the Crown Trust Company, at Calgary, Vancouver or Montreal, Canada.

By Order of the Board.
H. E. HOWARD, C.A.,
Secretary.

Calgary, Alberta,
May 25th, 1949.

Montreal Locomotive Works Limited

DIVIDEND NO. 13

A quarterly dividend of 40 cents per share on the common stock of this company has been declared payable July second, 1949, to holders of record at the close of business on June second, 1949, subject to the approval of The Foreign Exchange Control Board.

Transfer books will not be closed.

CARL A. SUNDBERG,
Secretary.

May 23, 1949.

Canadian Silk Products Corporation

DIVIDEND NOTICE

NOTICE is hereby given that a Dividend of Thirty-Seven and One-Half Cents (37½c) per Share has been declared on the Class "A" Common Stock outstanding of the Company, payable June 30th, 1949, to all Shareholders of record as at May 31st for the quarter period ending June 30th.

By Order of the Board.
G. G. COOKE,
Secretary.

ROBINSON, LITTLE & COMPANY, LIMITED

WINNIPEG, MANITOBA

Dividend on Common Stock

NOTICE IS HEREBY GIVEN that a quarterly dividend of twenty cents (20c) per share has been declared on the common stock of the Company, payable on the 30th day of June, 1949, to shareholders of record at the close of business on the 15th day of June, 1949.

By Order of the Board,
HERBERT J. SADLER,
Secretary.

Dated at Winnipeg, Manitoba,
April 11th, 1949.

DIVIDEND NOTICES

H. R. MacMillan Export Company Limited

NOTICE IS HEREBY GIVEN that a dividend of 12½ cents per share on the class "A" shares of the Company has been declared for the quarter ending June 30th, 1949, payable June 30th, 1949, to shareholders of record at the close of business on June 10th, 1949.

NOTICE IS HEREBY ALSO GIVEN that a dividend of 12½ cents per share on the class "B" shares of the Company has been declared for the quarter ending June 30th, 1949, payable June 30th, 1949, to shareholders of record at the close of business on June 10th, 1949.

The Transfer Books will not be closed.

Dated at Vancouver, B.C., this 26th day of May, 1949.

By Order of the Board.
G. D. ECCOTT,
Secretary.

R.L.CRAIN LIMITED

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that a dividend of ten cents (10c) per share on the Capital Stock of the Company has been declared for the quarter ending June 30, 1949, payable on and after the second day of July, 1949, to holders of record at the close of business on the 15th day of June, 1949.

By Order of the Board.
HENRY R. NURRISH,
Secretary-Treasurer.

Dated at Ottawa this
20th day of May, 1949.

NOTICE OF DIVIDEND

JOHN LABATT LIMITED

Notice is hereby given that Dividend No. 18 of twenty-five cents per share has been declared on the outstanding no par value common stock of the Company, payable on the Second day of July, 1949, to shareholders of record the Fifteenth day of June, 1949.

By Order of the Board.
M. W. BURNS,
Assistant Secretary.

London, Ontario, May 30, 1949.

PROVINCIAL PAPER LIMITED

Notice is hereby given that Regular Quarterly Dividend of 1% on Preferred Stock has been declared by PROVINCIAL PAPER LIMITED, payable June 15th, 1949, to shareholders of record at close of business June 6th, 1949.

(Signed) W. S. BARBER,
Secretary-Treasurer.

The Murphy Paint Company Limited

The following quarterly dividend has been declared payable 30th June, 1949, to shareholders of record at the close of business on 13th June, 1949.

Common Stock — Twenty Cents ($0.20) per share on the No Par Value shares.

P. L. TOD,
Secretary.

MONTREAL,
26th May, 1949.

THE BELL TELEPHONE COMPANY OF CANADA

NOTICE OF DIVIDEND

A quarterly dividend of fifty cents on each share of $25.00 par value has been declared payable on the 15th day of July, 1949 to shareholders of record at the close of business on the 15th day of June, 1949.

Montreal,
May 25, 1949

S. C. SCADDING,
Secretary

Industrial Acceptance Corporation Limited

DIVIDEND NOTICE

Notice is hereby given that the following dividends have been declared for the quarter ending June 30th, 1949:

5% Preferred Stock

One dollar and twenty-five cents ($1.25) per share on the $100.00 Par Value 5% Preferred Shares (being at the rate of $5.00 per share per annum),

4¼% Preferred Stock

One dollar and six and one-quarter cents ($1.06¼) per share on the $100.00 Par Value 4¼% Preferred Shares (being at the rate of $4.25 per share per annum),

Common Stock

Thirty-seven and one-half cents (37½c) per share on the No Par Value Common Shares,

payable in each case on June 30th, 1949, to Shareholders of record at the close of business on 1st June, 1949.

By Order of the Board.
L. E. CUTHBERTSON,
Secretary-Treasurer.

Montreal, P.Q.,
May 26, 1949.

THE SHAWINIGAN WATER AND POWER COMPANY

NOTICE is hereby given that a dividend of fifty cents (50c) per share has been declared on the Series "A" 4% Cumulative Redeemable Preferred Shares of the Company for the quarter ending June 30, 1949, payable July 2, 1949, to shareholders of record June 2, 1949.

By Order of the Board.
J. L. T. MARTIN,
Secretary.

Montreal, May 27, 1949.

Rains Better West Hopes; East Buying Feed Grains

(Special Correspondence)

WINNIPEG — Further rains during the past week have greatly improved the prospects for Western Canada's growing crop. Over the west as a whole there has still been a deficiency of Spring precipitation as compared with normal, besides a widespread lack of retained subsoil moisture.

Now, however, there are a limited number of points in each of the provinces, where this year's rainfall has already gone above normal for the Spring, and where, in consequence, the lack of subsoil reserve is being overcome.

None of the rains have been completely general and the rainfall has been sufficiently spotty to leave some fairly large areas in a decidedly dangerous position. In fact, the various elevator companies and other business institutions in Winnipeg collecting weekly crop reports from country agents, have almost all, at one time or another, had some report that local crops were almost a complete loss. In many cases, these have since been corrected with advice that the outlook is now more hopeful, and that further rains may yet produce good results.

Practically all of Manitoba and a considerable part of Southern Alberta can be regarded as in a very good position. Until a day or two ago, perhaps the worst area was in that part of Saskatchewan centred on Saskatoon. Conditions there have since been considerably relieved but as yet are far from good.

With the advent of the new month, hopes of the west are centred on a cool, wet June, which traditionally provides the best hope for a growing crop.

Some Re-Seeding

A certain amount of re-seeding has been done in various districts where an early sown crop got off to a bad start through uneven germination. In most cases, reseeding was done in coarse grains, although to some extent wheat was re-seeded. One present source of complaint is in the prevalence of wild oats. They seemed to show an unusual ability to make use of intermittent rainfall hardly sufficient for a time to produce good results from the regular crop.

In the coarse grains market, there has been a continuing strong demand for spot grain at Lakehead terminals for prompt shipment to Eastern destination. In contrast to conditions which prevailed a couple of months ago, the Eastern demand has been more important than that for export, and feed grains have been held at levels precluding continued export to the United States.

The May delivery month expired with a fairly easy position, although for a few days toward the end of the month a tight position appeared to be in the making.

East Buying Feed

The current demand from Eastern Canada is believed to represent the exhaustion of home grown feed grains towards the end of a a crop year, involving a greater dependence upon supplies brought in from the West than was earlier experienced. Characteristically, feeders in Eastern Canada, and also companies manufacturing feeds, tended to delay making their commitments in advance, so that there has recently been considerable pressure for prompt delivery.

Coarse grain deliveries by Western farmers were, to a large extent, interrupted during the seeding season. They were also delayed as many farmers wanted to make sure of new crop prospects before disposing of grain which might be needed for feed reserves.

For the remainder of the crop year, ending July 31, some considerable acceleration of deliveries is expected by many observers. Farmers anticipating the possibility that coarse grains may be handled by the Wheat Board during the new crop year, with initial prices well below current market levels, will, it is thought, sell as much as they safely can before a new and lower basis of payment comes into effect.

DIVIDEND NOTICES

Canada Steamship Lines Limited

A dividend of One dollar and twenty-five cents ($1.25) per share on the preference shares of Canada Steamship Lines Limited for the six months period ending June 30, 1949, was declared payable July 2, 1949, to shareholders of record June 3, 1949.

Dated at Montreal, this 1st day of June, 1949.

R. B. THOMSON,
Vice-President and Secretary.

Canadian Westinghouse Company, Limited

DIVIDEND NOTICE

Notice is hereby given that on April 27, 1949, the Board of Directors of this Company declared a dividend of Fifty Cents (50c) per share upon the outstanding Capital Stock of the Company, payable July 1, 1949, to Shareholders of record at the close of business, June 14, 1949, subject to the regulations of the Foreign Exchange Control Board of the Dominion Government.

Cheques will be mailed to Shareholders.

By Order of the Board,
W. A. CAMPBELL,
Secretary.

Hamilton, Canada,
May 30, 1949.

Donnell & Mudge Limited

DIVIDEND NOTICE

Notice is hereby given that the Directors of Donnell & Mudge Limited have declared the regular quarterly dividend of 25c per share on the outstanding Class "A" Shares of the Company, for the quarter ending 30th June, 1949, payable 1st July, 1949, to holders of record at the close of business on the 10th day of June, 1949.

By Order of the Board,
H. C. DWYER,
Secretary.

Dated at New Toronto, Ontario,
27th May, 1949.

Hotel Site Option Calls For Deposit Of $2 Millions

From Our Own Correspondent

EDMONTON — While there are no signs yet of a move to start actual construction, Edmonton seems to be getting closer to solution of its hotel space shortage problem.

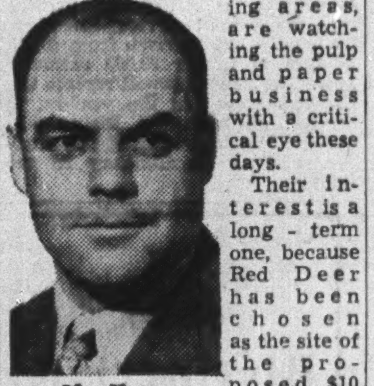
City council has approved an option of purchase of a site for the proposed $8 million Glenton-Hilton hotel (The Financial Post March 12).

The option, to John C. Boright, of Montreal, allows purchase at $150,000, includes definite terms and conditions, must be exercised within six months, carries a guarantee calling for deposit in an Edmonton bank of $2 millions to be used for construction payments approved by city commissioners.

Previously CNR officials were in Edmonton to outline plans for an enlarged Macdonald Hotel. Agreement has not yet been reached by the city and railway on taxation.

Glenton-Hilton agreement in principle on taxes calls for $100 a room per year or $55,000 a year for 550 rooms.

Growing Town of Red Deer Seeks $10 Million Pulp Mill



Mr. Horn

The 6,000 residents of the growing community of Red Deer, Alta., traditionally the centre of one of Western Canada's best mixed farming areas, are watching the pulp and paper business with a critical eye these days.

Their interest is a long-term one, because Red Deer has been chosen as the site of the proposed $10 million kraft and bleached pulp mill planned by Alberta Pulp Mills, according to H. M. Simpson, vice-president of Cellulose Engineers, Inc., Seattle, Wash. To date, few details of the plan have been announced, probably because of the current uncertainty in the pulp and paper market, but Red Deer is optimistic. Construction costs of the mill are estimated at $9 million, with $1 million for working capital.

Midway between Edmonton and Calgary, Red Deer's population has increased 50% since 1940. Community improvements keeping pace with the increased population include a $95,000 swimming pool now being built, and a $400,000 hospital extension proposed for construction this year by the city and surrounding territory. The Provincial Government is also building a $50,000 office block.

Building permits for the first three months of 1949 reached nearly $200,000, against $40,000 in 1948 period. Last year, 125 private homes were built.

Three points emphasize Red Deer's importance in the provincial and national farm picture: S. J. Allsop, Red Deer farmer, won the world's wheat title at Chicago in 1947 and 1948; Central Alberta Dairy Pool milk condensery packs 1,500 cases a day, and 500 pupils at the first composite high school in the west learn technical and practical agriculture along with academic and commercial subjects.

Frederick William Horn, president of the Red Deer Board of Trade, is the first native-born resident to hold that position. With Dench of Canada for six years prior to war, he was commissioned overseas. On his return built large storage and distributing warehouse, and business includes installation and handling of conveyor systems all over Western Canada. Was chairman of Trade's industrial committee in 1948.

Industrial Growth

New plants and expansion projects to boost the nation's bulk output and product diversity.

Rolph-Clark-Stone

Rolph-Clark-Stone Ltd., Toronto lithographer and printer, starts building $1¼ million, 196,000-sq. ft., four-story plant extension of reinforced concrete, structural steel, clay tile and brick; architects Allward & Gouinlock; contractor Foundation Co. of Ontario.

• • •

Winwick Street

Winwick Street Tannery Ltd., Warrington, Lancs., Eng., will set up a plant in Quebec City with help of a 15-year, $160,000 loan from the city corporation. City council has authorized the loan. A measure passed at last provincial legislature session authorized the city to create loan fund for assistance to establishment of new industries.

• • •

Panther Oil

Panther Oil & Grease Ltd., with parent firm of similar name in Fort Worth, Tex., and Dayton, Ohio, and headed by A. B. Canning, buys plant in Leaside, near Toronto to make asbestos-asphaltic roofing compounds for industrial and commercial use, heavy oils and greases for farm and construction machinery maintenance. Operation is scheduled to start in August. Plant, equipment and stock represent investment of about $500,000 for distribution initially to Eastern Canada, ultimately for export to Commonwealth countries. Bulk of production is sold in smaller communities, Mr. Canning said.

• • •

Thomson Publishing

Thomson Publishing Co.'s Timmins Daily Press considers possible substantial extension to newspaper plant and radio building at Timmins, Ont.; architects Barnett & Rieder, Leaside, Ont., and Kitchener, Ont. R. H. Thomson is president.

Thomson's Sarnia Canadian Observer, Sarnia, Ont., recently received and opened contractors' tenders for possible early building of substantial additions and alterations to newspaper plant; architects Barnett & Rieder; electrical engineer John H. Ross.

• • •

Fleming Publishing

Fleming Publishing Co., Owen Sound, Ont., Sun-Times, has foundation going in for new plant and office, two stories and basement, 18,000 sq. ft., reinforced concrete and brick; architects Mathers & Haldenby, Toronto; contractors Woolrich & Clark. New 24-page newspaper press will be installed.

• • •

North Bay Publishing

North Bay Publishing Co., North Bay, Ont., has preliminary plans from Toronto architect N. A. Armstrong for new plant and office to cost, according to local report, about $250,000, two stories and basement, about 6,500 sq. ft., steel and brick. Decision to proceed is pending.

• • •

Quebec Chronicle

Quebec Chronicle-Telegraph is considering possible early building of new plant on new Quebec City location.

• • •

Petit Journal

Le Petit Journal, Montreal, has dropped plan to extend present St. Denis St. plant; instead has bought land on Royalmount avenue for possible early building of new plant. Architect-engineer and contractor for originally planned addition to existing plant: Ernest Cormier, Roger Hamelin.

• • •

Borden

Borden Co., Toronto, last week received and opened contractors' tenders for new milk drying and cream separating plant on 12 acres at Kemptville, Ont., one story, steel, tile and brick, 21,000 sq. ft. plus 40-ft. "tower" (powdering room); engineers Gore & Storrie in association with Borden architect R. H. Crawford. Dominion Bridge has steel up. Borden at same time is completing $250,000 Quebec City ice-cream plant.

• • •

Lily Paper Cup

Lily Paper Cup Co., Toronto, owned by Lily Tulip Co., New York, and established in Canada four years ago as Universal Paper Co., plans to close 35-worker plant at Listowel, Ont., late this year, transfer the operation to building under construction in Toronto's suburban Scarborough Twp. "GECO" industrial area. Canadian head office and plant will get together under the one roof.

• • •

Ohio Chemical

Ohio Chemical Co. of Canada, Montreal, last week received and opened contractors' tenders to build new 8,500 sq. ft. steel and brick plant near Toronto waterfront; architects Page & Steele. Subsidiary of Ohio Chemical & Manufacturing Co., Madison, Wis., OCC recently changed name from Oxygen Co. of Canada; makes nitrous oxide anaesthetic gas.

LAPASKA MINES—May 15 installment of 100,000 shares at 10 cents a share under agreement with David Lieberman, has not been exercised and agreement has been terminated.

Grain Prices

Winnipeg Grain Futures

Week to May 30, 1949

Crop year from Aug. 1, 1948 High	Low		High for week	Low for week	Close May 30
		Oats			
.80⅛	.68⅛	May	.79⅛	.75¾	.76¾
.76½	.66½	July	.74¾	.71⅜	.72½
.79	.62½	Oct.	.69⅝	.68¼	.68⅞
		Barley			
1.21¼	.98¾	May	1.21¼	1.17¾	1.20⅝
1.12⅝	.96	July	1.12⅝	1.10⅜	1.12
1.02⅞	.93	Oct.	1.02⅞	1.00⅝	1.00⅞
		Rye			
1.79	.98⅞	May	1.32¾	1.25	1.25
1.72	1.05⅝	July	1.33⅛	1.25⅝	1.25⅝
1.55½	1.05	Oct.	1.34½	1.26⅝	1.26⅝
		Flax			
4.11⅛	3.95⅛	May	4.00	4.00	4.00
4.12	3.98	July	3.99¼	3.99	3.99¼

Cash Quotations

	For Week May 30 High	Low	Prev. Week High	Low
Oats				
2 C. W. ..	.79	.76¼	.80	.76⅝
3 C. W. ..	.76⅛	.73½	.77⅛	.73¾
Barley				
1 Feed ..	1.16⅝	1.14⅛	1.14⅝	1.10⅝
2 Feed ..	1.14⅛	1.11⅝	1.13⅜	1.09⅛
Rye				
2 C. W. .	1.32⅛	1.25	1.31⅛	1.29⅜
Flax				
1 C. W. .	4.00	4.00	4.00	4.00

OIL PRODUCTION

Gulf Oil Stettler Well Finds a Rich D3 Zone

From Our Own Correspondent

CALGARY — After establishing 50 ft. of pay zone in the D2 porous zone of the Devonian formation, Canadian Gulf Ellis No. 1 well near Stettler has gone on to secure an equal thickness of pay zone in the underlying D3 zone.

The structure, in point of richness at the discovery well, looks just as good as Leduc but, from information available, will not likely have an area as large as Leduc.

Productive potential of the D2 zone was placed at around 1,500 bbl. daily and over-all potential of the two zones is now placed at in excess of 3,000 bbl. daily. The water line was encountered after 50 ft. of D3 formation had been drilled through.

• • •

Eighty to 120 miles north of Stettler, a wave of successful completions continues to be reported at Leduc and Redwater. Four more wells have been added by Imperial at Leduc in a single week, with potentials ranging from 1,848 bbl. to 300 bbl. daily. The Co-op Leduc No. 10 well of Saskatchewan Federated Co-operatives showed a 504-bbl. potential in the D2 zone.

At Redwater, Western Leaseholds boosted its producers to 11 with completion of Western-Redwater No. 31-8 with potential of 1,692 bbl. daily and No. 31-15 with potential of 1,503 bbl.

B.A. Oil and Hudson's Bay Oil & Gas raised their joint producers to 12 with completion of No. 11-30 with potential of over 1,000 bbl. daily and No. 12-20 with potential of 1,762 bbl.

• • •

$5 Millions A Month

March, 1949, saw Alberta production of oil and gas top the $5 millions a month mark for the first time.

Revenue for the month is reported by the Petroleum and Natural Gas Conservation Board at $5,027,000 as against $3,870,013 in February. Revenue for March, 1948, was less than half the 1949 figure at $2,435,585.

Alberta's production of oil for the first quarter was 4,447,439 bbl., nearly double the yield of 2,258,714 bbl. for the first quarter of 1948.

During March, 54 wells were completed in Alberta compared with 30 in February and only 12 in March last year.

• • •

Shaw Starts Program

Shaw Petroleum Corp., with interests in approximately 210,000 acres within a radius of Edmonton and the Leduc-Redwater fields, has embarked on a development program in association with its subsidiaries.

In a 10,880-acre block nine miles north of the Imperial Golden Spike discovery, the first well, known as Spruce Grove No. 1, is now drilling below 5,827 ft. after encountering oil saturation in the D1, the company reports. Shaw Pete holds a 50% interest in this acreage with remaining interest shared by McColl Frontenac and Texaco Exploration.

A second well is to be started almost immediately four miles north and west of the recent Viking Sands discovery at Joseph Lake, it is reported. Eighty miles east of Redwater in the Saddle Lake area where Shaw has a 50% interest in 180,000 acres, two shallow test wells have been completed as a basis for an extensive seismic survey. A heavy crude oil sand is stated to be indicated at a depth of 1,670 ft.

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Canadian Cottons Limited

Thirty-ninth

Annual Report for the Year Ended March 31st, 1949

To the Shareholders:

Your Directors submit herewith the Balance Sheet of the Company as at March 31st, 1949, with a Statement of Profit and Loss for the year ended on that date.

Net operating income, after providing for Income Taxes and other customary charges amounts to		$ 859,934.34
Income from investments amounts to		297,994.25
making a total of		$1,157,928.59
which has been distributed as follows:—		
6% Dividend on Preferred Stock		$ 198,312.00
Dividends on Common Stock:		
Four Quarterly Dividends	$346,275.00	
One Extra—50c. per share	69,255.00	415,530.00
Balance transferred to Surplus		544,086.59
		$1,157,928.59

Your Company's operations for the fiscal year, in common with most other industries, were characterized by a buoyant demand for merchandise and a consequently large volume of sales. There was a considerable increase in the number of employees, with the opportunity for continuous and full-time employment for all. Labour turnover has materially decreased in comparison to the last several years—this is a wholesome sign. The percentage of absenteeism shows only a slight reduction. There is, however, probably a time lag between the two.

The Canadian Government suspended, as of July 1st last year and for a period of one year, the British Preferential tariff on cotton and rayon piece goods coming into Canada. By virtue of the new Geneva Agreement the same concessions automatically were extended to goods of like kind coming into Canada from countries embraced in the Most Favoured Nations category, the only but very important difference being that quotas or restrictions of imports were imposed on certain goods originating in some of the latter countries, particularly the United States, under the Emergency Exchange Conservation Act. Fortunately conditions in the textile world were sufficiently buoyant that these concessions worked no hardship on the industry in Canada. However, there was present always the underlying fear that the suspension of duties might be unduly extended. Ultimately this would undoubtedly mean unemployment to thousands of people employed in the Canadian textile industry, for over any long period of time it is impossible to compete (a) with a country such as England—the average textile wage rate in Canada as of May 1st, 1948, is reported as being 67% more than the average English rate—and for a different reason, (b) with the United States where because of the immense population and corresponding markets, textile mills are able to specialize in narrow fields but with all the advantages of mass production.

Your Directors are pleased to report that the *status quo ante* June 30th, 1948, of a moderate tariff has been declared by the Canadian Government effective July 1st, 1949.

Spot cotton prices as reflected on the New York Cotton Exchange declined 7% as between March 31st, 1948 (36.02c. per pound) and March 31st, 1949 (33.57c.). This does not mean that the price of raw cotton used by the company during the whole year declined by 7%. On the contrary the average price of cotton used was decimal 43 cents per pound higher than in the previous year. In the first place the trend of spot cotton prices was not steadily downward from March 1948 but was characterized by an advance to more than 39c. a pound in April, May and June before a definite recession occurred. In the second place the New York cotton futures price is a base price quoted for only one grade and staple length of cotton. All other grades and staple lengths are quoted at differentials from that base. Broadly speaking these differentials hardened during the year, as is reflected in the cost of the Company's cotton used for the whole year. It thus more than offset the decline in the basic market.

There are at all times three major factors entering into textile operations, the influence of any one of which materially affects the Company's operating outlook.

These factors are:

(1) the price and controls of raw cotton
(2) labour conditions and rates of pay
(3) selling conditions and prices.

(1) Raw Cotton:

Instead of ceiling prices on finished goods to delay or inhibit the rate of inflation as existed for approximately five years, the textile industry now faces what is equivalent to a "floor" under prices of raw cotton in the United States. So long as inflationary forces predominated floor prices were not effective. But the situation today is that if it were not for a "floor" under raw cotton (loan level or "floor" for the 1948-49 crop year being 30.74 cents per pound at Memphis, Tenn.) the commodity could conceivably be selling for 20 cents a pound and possibly less. As the loan value or floor price to producers for the 1949-50 cotton crop is now fixed at 90% of parity, the situation may be further aggravated next fall as the United States faces the prospect of harvesting one of the largest cotton crops in history. Cotton is not the only commodity being regulated by artificially controlled floor prices. There are enough of them to justify the statement that today many industries are being operated from within an "iron lung."

Now it would seem logical if "ceilings" and certain basic restraints on selling prices retarded precipitous advances during the inflationary period that "floors" and corresponding basic restraints "in reverse" should retard precipitous declines. Indeed one would think that the "reverse" process should be more effective and beneficial to the national economy because of experiences gained in the period of rising prices. In the opinion of your Directors the outlook would be much healthier if floor prices and other controls on certain commodities were more flexible and had a more realistic relationship to supply and demand, both in the particular and in the general, as well as to world economic conditions. At the time of preparing this Report a recommendation is being sponsored by the United States Secretary of Agriculture. While much of the detail may be modified, changed or deleted, the proposal in general very definitely appears to commit the United States Administration for another year, namely for 1950-51 and possibly subsequent years, to a high price policy insofar as basic non-perishable agricultural commodities are concerned while many perishable farm products would be permitted to drop to a market level based on supply and demand with compensation to be paid by subsidy. Cotton, wheat and corn are among those included in the non-perishable group and consequently the proposed basic price structure for 1950-51 raw cotton would be very little if any lower than it presently is, indeed there is a possibility that it might be slightly higher. As one American authority has put it, "The long range disadvantage of this plan, as distinct from the subsidy or 'income maintenance' plan which is proposed for perishable commodities is that the consumer will continue to be required to pay high prices for cotton, which will tend to restrict consumption . . .".

It would appear as if price controls instead of being handled with courage from an economic viewpoint had got into the realm where political rather than economic considerations tend to determine policies.

Whatever is done in the United States in dealing with basic commodities cannot avoid influencing our whole Canadian economy and most certainly has a fundamental bearing on the outlook for your Company.

(2) Wage Rates:

Your Company negotiated a new agreement last December with the union representing its employees at all mills. Wage rates were advanced by 11c. an hour to all hourly paid and piece work employees. This automatically increased the Company's obligations with respect to Pension Fund contributions, holiday pay, sick benefits, etc. and Workmen's Compensation. Corresponding increases were also called for in the supervisory classes of employees. The cost to the Company will amount close to $1,100,000 per year.

This was the third, since the War, of a series of big wage lifts generally followed in both the United States and Canada. Is there to be a fourth round in 1949? If so then it can only be met, as far as your Company is concerned, by (a) a decline in raw cotton prices (over which we have no control) with no change in selling prices, and/or (b) an increase in selling prices, and/or (c) an increased per capita production which labour, in its own interests, must be prepared to study and consider seriously.

Some branches of organized labour are reported to be committed to another drive for wage increases this year. They would do well to pause and consider. An unwise step now could easily result in the gravest consequences for the country generally and in lessened employment.

(3) Selling Prices and Volume:

This subject has been partially dealt with in the preceding paragraphs. At the present time selling prices seem equitably adjusted to the cost of raw cotton and wage rates. Large volume of operations, however, has tended to hold down overhead costs. Costs would thus advance sharply in the event of a recession in volume. The cotton textile industry in the United States has registered a material decline in the past year. It is hoped this condition may not extend to Canada but that may be too much to expect in view of the intimate economic and industrial relationship existing between the two countries. So long, however, as current conditions continue, operating results should be reasonably satisfactory.

Your Directors have sought to place before you the difficulties of some of the current problems of the Company. Some of them are unique to the industry—some of them are more widely applicable. The coming year, therefore, poses problems, the solutions of which can only be met as and when they present themselves.

Your Directors have been greatly influenced by the magnitude of the uncertainties above set out as well as by the greatly deflated value of the dollar as compared with prewar years in recommending for your approval certain dispositions as reflected in the Profit and Loss Account and the Balance Sheet.

The purchase value of the dollar figured on a Canadian cost-of-living basis is approximately 100/160 or 5/8 of the base of 1935-39. But your Company's current dollar has even a smaller purchasing value based upon (1) the prewar cost of raw cotton, (2) prewar wage rates, and (3) prewar costs of machinery and equipment replacements.

The above conditions impose an obligation on your Directors to exercise all possible financial foresight and precaution. The year's results would be considered as excellent if based on 1935-39 values, but cannot

CANADIAN COTTONS, LIMITED *(Continued)*

be so regarded if proper weighting is given to the currently low purchasing power of the dollar.

You will note, therefore, that your Directors recommend, before striking a net profit for the year, that the sum of $500,000 be set aside to inventory reserves. Income taxes have been provided for on this amount.

In the Annual Report of the previous year there was a paragraph dealing with the necessity of increasing the Company's inventory reserves. It was recommended therein that Balance Sheet items dealing with (a) refunds under the Excess Profits Tax Act and (b) relief from reserves set up under Section 6(1)b of the same Act be placed to the credit of inventory reserves. Negotiations with taxing authorities have proceeded far enough to give effect to this proposal, consequently it is possible to transfer these items and other Income Tax adjustments affecting prior years, in the amount of $613,243.39, to inventory reserves. The transfer of both these important amounts is obviously to the mutual interest and protection of both shareholders and employees of the Company.

There is a large addition under the heading of Shares in Subsidiary Companies. During the year, an opportunity having unexpectedly arisen, your Directors deemed it wise and expedient to purchase the assets of another textile company, the operating field of which was not competitive but complementary.

Your Directors submit for your approval, at a special Shareholders' Meeting called to precede this year's Annual Meeting, three special by-laws amending four existing Company by-laws, particulars of which are contained in the notice calling the special meeting. Amendments to these by-laws are occasioned by unforeseeable circumstances and inevitably changing conditions.

The purpose of Special By-law XXXV amending By-laws 22 and 24 of the General By-laws of the Company is to permit your Board to appoint operating Vice-Presidents who need not necessarily be members of the Board. Not only is this in line with recognized practice but it is to the Company's interest that certain of its key operating men be given a status in keeping with their responsibilities.

Consequent to the amendment of the above By-laws your Directors appointed three Vice-Presidents: Mr. Joseph Dolphin, heretofore Manager of Mills, Vice-President—Production; Mr. MacMillan Boyd, heretofore General Sales Manager, Vice-President—Sales; Brigadier E. R. Suttie, C.B.E., D.S.O., E.D., heretofore Personnel Manager, Vice-President—Personnel and Public Relations.

Special By-law No. XXXVI amending General By-law 43 by adding a subsection (4) thereto is for the purpose of clarifying and enlarging the scope of the discretion now given to Directors with respect to dependents in general. The benefit fund and insurance policies referred to in By-law 43 have for some years past been turned over to Trustees on the terms and conditions approved by the Department of National Revenue. But it is found that there will always be a number of cases not dealt with under present pension arrangements for which your Directors should have the authority to provide.

Special By-law No. XXXVII amending General By-law 45 is to permit the Board to appropriate up to $60,000 instead of $40,000 in any one fiscal year to charitable, educational, benevolent, public, general or useful objects. It now appears to your Directors that $60,000 rather than $40,000 more adequately expresses the Company's charitable and educational obligations.

Company-Employee relationships continued on a sound wholesome basis throughout the year. Discussions and negotiations, especially those of a general character, were conducted in a frank and serious manner. Your Directors wish to congratulate the group of union and employee representatives for their share in maintaining this healthy relationship. At the same time they feel that they must point out to their employees that the industrial pattern for 1949-50 is more difficult to discern than at any time in the last ten years. Wisdom and sound judgement henceforward will play a much greater and more responsible part in the consideration of issues than they have over the same period of time.

The sum of $179,000 was the amount of the Company's contribution to the Pension Fund for the year just closed. The corresponding amount a year ago was $139,000. The very substantial increase is due to increased wage rates, larger number of employees and reduced labour turnover—all previously referred to in this report.

The cost to the Company of holiday pay for hourly paid and piece work employees (two weeks for those in the employ of the Company for a full year or 4% of the wages of those who have less than one year but more than three months to their credit) was $226,000.

The above items are two, but not all, of the social advantages that the employees of the Company enjoy. In themselves they constitute important cost factors in a highly competitive industry. It is hoped that these and the other benefits will continue to be seriously recognized.

The continued and loyal efforts of the manufacturing, selling and office staffs have materially contributed to the results for the year. Your Board desires to place on record its sincere appreciation of the faithful work thus rendered.

The Books and Accounts of the Company have been duly audited and the Auditors' Report is appended as part of the statements attached herewith.

Submitted on behalf of the Board of Directors.

R. G. TOLMIE,
Chairman.

E. C. FOX,
President.

Balance Sheet as at 31st March, 1949

ASSETS

CURRENT:		
Cash on hand and in banks		$ 309,391.79
Accounts Receivable—less reserve		2,294,845.72
Inventories as determined and certified by the management and valued at the lower of cost or market less reserve		5,127,919.44
Investments—at cost less reserve—Dominion Government Bonds and Corporation Bonds and Shares		5,448,652.38
(Quoted market value $6,385,000.00)		
TOTAL CURRENT ASSETS		13,180,809.33
SHARES IN SUBSIDIARY COMPANIES		713,603.00
DEFERRED CHARGES TO OPERATIONS		352,347.81
CAPITAL ASSETS:		
Mills, Plants and Properties—at cost—Balance as at 31st March 1948	$23,939,882.23	
Net additions for year	1,065,319.17	25,005,201.40
		$39,251,961.54

LIABILITIES

CURRENT:		
Accounts Payable		$ 1,323,010.11
Cotton Acceptances		2,499,009.00
Due to Subsidiary Companies		207,919.86
Reserve for Dominion and Provincial Taxes	$ 959,366.21	
Less: Paid on account	457,800.00	501,566.21
TOTAL CURRENT LIABILITIES		4,531,505.18
MORTGAGE BONDS:		
2½% due 1st September 1951	1,500,000.00	
2¾% due 1st September 1956	1,500,000.00	3,000,000.00
CONTINGENT RESERVE		540,000.00
DEPRECIATION RESERVE		19,129,754.77
CAPITAL STOCK:		
Authorized—		
Preferred—6% non-cumulative 207,185 shares par value $20.00 each	4,143,700.00	
Common—175,000 shares no par value	3,500,000.00	
	$7,643,700.00	
Issued and fully paid—		
Preferred—165,260 shares	3,305,200.00	
Common—138,510 shares	2,770,200.00	6,075,400.00
CAPITAL SURPLUS		364,929.75
EARNED SURPLUS—Per Statement attached		5,610,371.84
		$39,251,961.54

Signed on behalf of the Board:
E. C. FOX, Director.
J. IRVING ROY, Director.

Profit and Loss Account for the Year Ended March 31st, 1949

Operating Profit for year after providing for items A, B, C, D, E, F, G, H, as below noted		$ 859,934.34
Add: Income from investments		297,994.25
NET INCOME FOR YEAR		1,157,928.59
Deduct:		
6% Preferred Dividend	$ 198,312.00	
Common Dividend	415,530.00	613,842.00
SURPLUS FOR YEAR		$ 544,086.59
A. Depreciation	$910,548.00	
B. Executive Remuneration	87,833.00	
C. Directors' Fees	10,250.00	
D. Provision for Taxes	900,000.00	
E. Legal Fees	12,575.27	
F. Bond Interest	78,750.00	
G. Inventory Reserve	500,000.00	
H. Contingent Reserve	16,756.18	

Earned Surplus Account

Balance at credit as at 1st April, 1948	$5,066,285.25
Add: Surplus for year as above	544,086.59
BALANCE AS AT 31st MARCH, 1949	$5,610,371.84

AUDITORS' REPORT TO THE SHAREHOLDERS

We have examined the books and accounts of Canadian Cottons, Limited, for the year ended 31st March, 1949. We have verified the cash in banks and the investment securities and the revenue received therefrom.

We have obtained all the information and explanations required and, in our opinion, the attached Balance Sheet and Profit and Loss Account, based upon certified inventories presented, are properly drawn up so as to exhibit a true and correct view of the state of affairs of the Company as at 31st March, 1949, and for the year ended that date, according to the best of our information and the explanations given to us and as shown by the books of the Company.

RITCHIE, BROWN & CO.,
Chartered Accountants.

Montreal, 29th April, 1949.

Int. Petroleum's Earnings Seen Down 18% For Half

While foreign exchange rates and controls in Peru and Colombia make it difficult to forecast earnings of International Petroleum Co., the best estimate at present indicates that earnings for the first six months of 1949 will be at a rate about 18% below the average rate for 1948, President L. P. Maier told shareholders at the annual meeting last week.

As International Petroleum Co. earned the equivalent of $0.81 a common share in 1948, this statement would indicate earnings of about 33c a common share for the first half of 1949, The Financial Post calculates.

Some curtailment in the producing rate of heavy crudes has been necessary on account of an oversupply of heavy fuel oils, Mr. Maier stated. Reduced prices for some of the heavier crude oils, and particularly for heavy fuel oils, have adversely affected 1949 earnings, he added.

The 1949 drilling program has been successful in maintaining oil reserves in Peru, the president reported. In Columbia, there has been no success to report yet, but, in Venezuela, oil reserves have been increased by the completion of an extension well in the prolific Mara field on agreage in which International Petroleum has a 25% interest, he stated.

In commenting on the financial outlook in reply to a question on dividend prospects, Director O. A. Matthews pointed out that the principal problem for dividends has been the conversion of earnings out of South American currencies into dollars. Representations are continuing to the government of Peru and Colombia to resolve dollar problems. The degree of success, Mr. Matthews states, will, of necessity, have a major bearing on the availability of dollars for the future maintenance of the dividend rate.

Mr. Matthews stated he felt the atmosphere is better today than at any time in the last five years.

With regard to the sale by Imperial Oil Ltd. of its holdings of International Petroleum Co. capital stock and the exchange offer of Standard Oil Co. (New Jersey), President Maier stated that the Standard Oil Co. (New Jersey) had purchased its pro rata portion of Imperial Oil holdings amounting to approximately 42% of the issued capital stock of International Petroleum and, through the exchange offer, has acquired from individual shareholders an additional 40.5%. This gives Standard Oil Co. (New Jersey) a total stock interest in International Petroleum of about 82.5% of the outstanding capital stock.

Directors were re-elected with the exception of B. A. Myers who recently retired. Bylaw 137 was approved, reducing the board of directors from nine to eight so no replacement was necessary.

Bylaw 136 was passed which reduced the number of shares required to be held by directors from 200 shares to one share.

International Petroleum proposes to issue a semiannual report in the nature of a summary of operations and expect it to be out in August or September, Mr. Maier stated.

The company has around 6,700 registered shareholders left on its books in addition to Standard Oil Co. (New Jersey) he said in reply to a question. There will also be the holders of bearer share warrants.

W. E. McBAIN,

secretary - treasurer, Northern Electric Co., has been elected president of the Montreal Better Business Bureau.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

INGERSOLL MACHINE AND TOOL CO., Ingersoll, Ont., 1948 net profit was up 33% at $365,540 ($274,650). Sales amounted to $5,037,806, an increase of 15.7% over 1947.

Expenditures for plant and equipment totaled $138,442 during the year and equipment was retired which originally cost $53,477. A total of 202 shares of the company's 4% preferred stock was redeemed.

Business for the first six months of 1949 is expected to be on a par with 1948, President E. A. Wilson states. More competitive business is anticipated in the near future, but both plants are reported to be well equipped to meet changing conditions.

CONS. INCOME ACCOUNT		
Years Ended Dec. 31:	1948	1947
Net earnings	$784,567	$731,350
Less: Deprec.	92,453	93,646
Prov. for taxes	256,252	303,010
Min. int. in sub.	70,322	60,044
Net profit	365,540	274,650
Less: Pref. divds.	13,274	14,000
Cl. A divds.	41,068	41,018
Surplus for year	311,198	219,632
Earnings per Share and Dividend Record:		
Preferred	$111.85	$79.15
Paid	4.00	4.00
Cl. A before partic.	4.29	3.18
Paid	0.50	0.50
Cl. B before partic.	3.79	2.68
Cl. A & B after partic.	2.15	1.59

CONDENSED CONS. BALANCE SHEET		
As at Dec. 31:	1948	1947
Cash & govt. bonds	$121,200	$113,625
Accts. rec.	641,451	504,861
Life ins., c.s.v.	179,738	167,213
Inventories	943,810	617,338
Total curr. assets	1,886,199	1,403,037
Prep. exp.§	12,013	549
Misc. assets▲	297,795	379,561
Fixed assets*	1,236,986	1,214,227
Total assets	3,432,993	2,997,374
Due bank	340,395	291,348
Accts., tax., etc., pay.	472,339	483,234
Total curr. liabs.	812,734	774,582
Deferred liab.	40,647	95,500
Min. int. in sub.	649,608	627,775
Capital stock	511,750	531,949
Earned surplus▲	1,418,254	967,568
*After depr. of	1,732,347	1,670,141
▲Incl. ref. EPT	203,894	242,220
§Incl. in curr. assets in co's report.		
Working capital	1,073,465	628,455

Short Position Down at Mtl.

MONTREAL (Staff)—Montreal Stock Exchange report shows short position of 19,134 shares of 44 issues as at May 14, 1949, compared with 21,070 shares of 46 issues on April 30. Chief changes are:

Stock	Shares	Stock	Shares
Algoma	—420	Cons. M & S	—325
Bell Phone	+543	Inter. Paper	—700
Candn. Car	+600	Nat. Brew.	—750
CPR	+200	Price Bros.	—275

Short position on the Montreal Curb Market on May 14 showed 170,110 shares of 33 issues against 175,139 shares, 33 issues, April 30. Chief changes are:

Stock	Shares	Stock	Shares
Base Metals	+7,500	Duvay	+14,500
Brown Co.	+403	Louvicourt	—4,000
Donnacona	—435	Sherritt G.	+2,510
		Un. Asbes.	—23,500

Actual short positions of both exchanges were:

MONTREAL STOCK EXCHANGE

Stock	Shares	Stock	Shares
Abitibi	1000	Dom. Stores	50
Abit $1.50 pfd.	200	Dryden	100
Algoma	740	Fraser	585
Aluminum	275	Ham. Bridge	200
Bathurst A	200	Howard Smith	925
Bell Tele.	638	Hudson Bay	400
B. A. Oil	325	Imperial Oil	460
B. C. Forest	75	Int. Nickel	600
Bruck Mills A	25	Int. Paper	300
Bruck Mills B	50	Massey-Harris	700
Bldg. Prod.	50	McColl-Front.	325
Can. Cement	1175	Molson's	50
Can. S.S.	275	Nat. Brew.	675
Candn. Brew.	750	Nat. Steel Car	50
Candn. Celan.	600	Noranda	286
Candn. Car	1325	Price Bros.	1525
Cdn. Ind. Al A	50	Ottawa Pwr.	25
Candn. Loco.	50	Shawinigan	200
C.P.R.	500	Sicks' Brew.	50
Cons. Smelters	590	Simpsons A	50
Dist. Seag.	100	Winn'p'g Elec.	1440
Dom. Bridge	50		19,134
Dom. Coal B	1100		

MONTREAL CURB MARKET

Stock	Shares	Stock	Shares
Anglo Cdn. Oil	300	Labrador	1000
Base Metals	7500	Lake Dufault	1000
Belgium Glve	50	Lakeshore	100
Brown Co.	445	Louvicourt	4500
Cn. Dm. Sugar	200	Macdonald	6000
Candn. Vickers	400	Minn & Ont.	50
Candego	2000	New Goldvue	500
Comm. Alco	600	Nicholson	600
Cons. Paper	1125	Normetal	1500
Dome	100	Okalta	5100
Donalda	500	Pend Oreille	700
Donnacona	175	Que. Pulp Pfd.	25
Duvay	40500	Sherr.-Gord.	2810
East Sullivan	900	Untd. Asbes.	84900
Ford A	50	Untd. Dist.	80
Eldona	500		
Fleet	300		170,110
Gaspe	5600		

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

P. L. ROBERTSON MANUFACTURING CO., Milton, Ont., 1948 net profit was up 6.6% at $418,571 ($392,546). Demand continued at a rate beyond capacity for company's screw products in 1948. Substantial expenditures were applied to complete a building and purchase new machinery to increase production. Further office, warehouse and manufacturing space is still urgently needed, the annual report states.

Sales in early 1949 were maintained at a high level and continuance of heavy demand for the company's products is anticipated for balance of year.

INCOME ACCOUNT		
Years Ended Dec. 31:	1948	1947
Net oper. profit	$728,121	$763,391
Less: Deprec.	70,348	40,317
Income taxes	239,202	330,528
Net profit	418,571	392,546
Less: Pref. divds.	13,442	13,442
Common divds.	120,120	120,120
Surplus for year	285,009	285,984
Earnings per Share and Dividend Record:		
Preferred	$77.84	$73.00
Paid	2.50	2.50
Common	6.75	6.31
Paid	2.00	2.00

CONDENSED BALANCE SHEET		
As at Dec. 31:	1948	1947
Cash	$345,037	$417,124
Accts. rec.	252,355	188,670
Investments	813,307	814,853
Inventories	503,728	349,617
Total curr. assets	1,914,427	1,770,264
Misc. assets▲	120,676	136,666
Fixed assets	1,106,862	951,485
Total assets	3,141,965	2,858,415
Accts. & tax. pay.	211,718	328,163
Divds. pay.	33,391	33,391
Total curr. liab.	245,109	361,554
General reserve	650,000	550,000
Deprec. reserve	628,118	563,401
Capital stock	275,140	275,140
Earned surplus▲	1,343,598	1,108,320
▲Incl. ref. EPT	91,313	116,447
Working capital	1,669,318	1,408,710

UNTHINKABLE

You would not consider for a moment asking your friend to collect your accounts, pay your bills, invest your money, and keep your books. Yet when you appoint him executor in your Will you are doing just that. Further, you are making him personally responsible for any error that might arise due to his lack of knowledge of the laws governing the administration of estates.

Crown Trust Company is equipped to do the job your estate requires at no extra cost. Modern equipment and a trained staff in estate management, investment and accounting are all put at the service of an estate when we act as executor.

An enquiry at any of our offices places you under no obligation.

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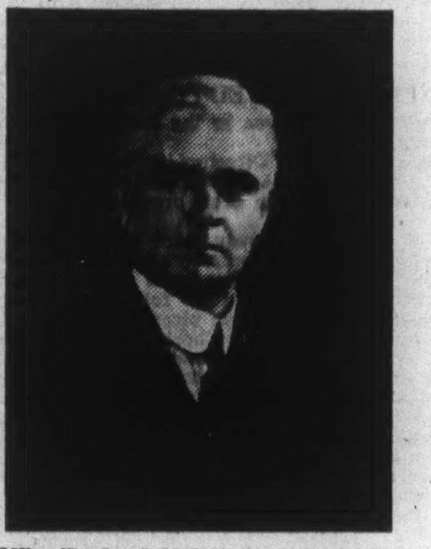
The Development of Petroleum

Big increase in volume of equipment since end of war

By C. H. W. ROLES



MR. T. L. BONSTOW, M.Inst.C.E., M.Inst. Mech.E., F.Inst.P., etc., Director of the Council of British Manufacturers of Petroleum Equipment, 1943-1948.

The growth of the Petroleum Equipment Industry in the United Kingdom is one of the outstanding stories in British Industry since the end of the war. Prior to 1939 a certain number of prominent Companies supplied specialised equipment to the Oil Industry but their combined efforts did not constitute a National Industry. During the war it became apparent that the fantastic demand for oil for all purposes would call for the utmost effort on the part of industrialists throughout the western hemisphere in the postwar period. Satisfying the demand for equipment to sustain the expanding Oil Industry in all parts of the world meant that what had been a localised industry would have to spread to many countries.

This inevitable expansion was foreseen by a few leading British industrialists and to anticipate and prepare for it they came together and formed in 1943 the Council of British Manufacturers of Petroleum Equipment. The end of the war presented a set of conditions as had been foreseen except that the demand for Petroleum Equipment was even greater than had been anticipated. Industry in Great Britain as well as in Canada and the U.S.A. was in a state of high efficiency due to the demands of the war but raw materials were in short supply and this resulted in delayed deliveries for a considerable time.

World currency had become unbalanced, most countries finding themselves with a profound shortage of dollars, a condition which persists to the present time. The implications of such a situation are obvious to any industrialist and the position was particularly embarrassing to the United Kingdom who had spent all dollar reserves in the all-out effort of the war.

This currency situation forced the country to find ways and means of producing for herself many things which before the war had been bought from the United States of America. High on this list figured Petroleum Equipment. British Oil interests had gone naturally in pre-war days to America where the equipment industry had, over many years, reached a high degree of efficiency; they now sought to secure from British Industry equipment of the same high calibre.

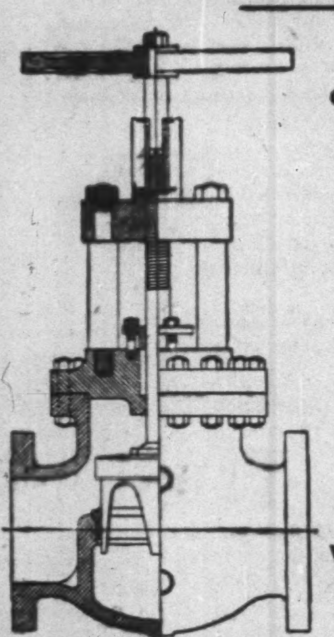
The Council of British Manufacturers of Petroleum Equipment had—and has—as one of its primary functions that of liaison between the oil companies on the one hand and manufacturers and potential manufacturers of petroleum equipment on the other. It brings manufacturers into direct personal contact with Oil Company technical experts to mutual advantage. The flexibility of the British Engineering Industry is well known and the potentialities of the petroleum equipment industry were so clearly defined that a large cross-section of the industry has adapted itself readily to the specialised requirements.

From an initial membership of six companies in 1943 figures have rocketed so that to-day total membership approaches 350 representing a formidable cross-section of British Industry. Even this number does not fully represent the grand total of organisations serving the oil industry; altogether in the space of three and a half years the petroleum equipment industry has assumed national proportions. Not only have well-known Companies turned over to the manufacture of specialised petroleum equipment, but entirely new organisations have been formed who manufacture exclusively for the Oil Industry. Even the gun making machines at some of the Royal Ordnance factories are being utilised to-day for making specialised production equipment.

Representatives of British Companies are going in increasing numbers to oilfields and refineries throughout the world to keep abreast of latest developments, and missions composed of Members of the Council of British Manufacturers of Petroleum Equipment have visited the Caribbean, Middle East and more latterly Holland.

American manufacturers of equipment have been extremely co-operative to their British counterparts. British representatives visiting the United States have been given every facility and help and the practical result can be observed in the large number of American licences granted to United Kingdom Companies.

So great is the diversity of petroleum equipment manufactured in the United Kingdom to-day that, in addition to a classified list of products manufactured by its Members, the Council of British Manufacturers of Petroleum Equipment publishes a large composite catalogue of Petroleum Equipment. The 1949 edition, running to 524 pages, is just being published and readers of "The Financial Post" desiring a copy are invited to write to the Council's offices at 79 BUCKINGHAM PALACE ROAD, LONDON, S.W.1., ENGLAND. The composite catalogue is published at 30/-. a copy (6 Canadian dollars). The Council also publishes a magazine devoted entirely to the equipment side of the Oil industry—the title is "British Petroleum Equipment News" and readers of "The Financial Post" are invited to write for copies.



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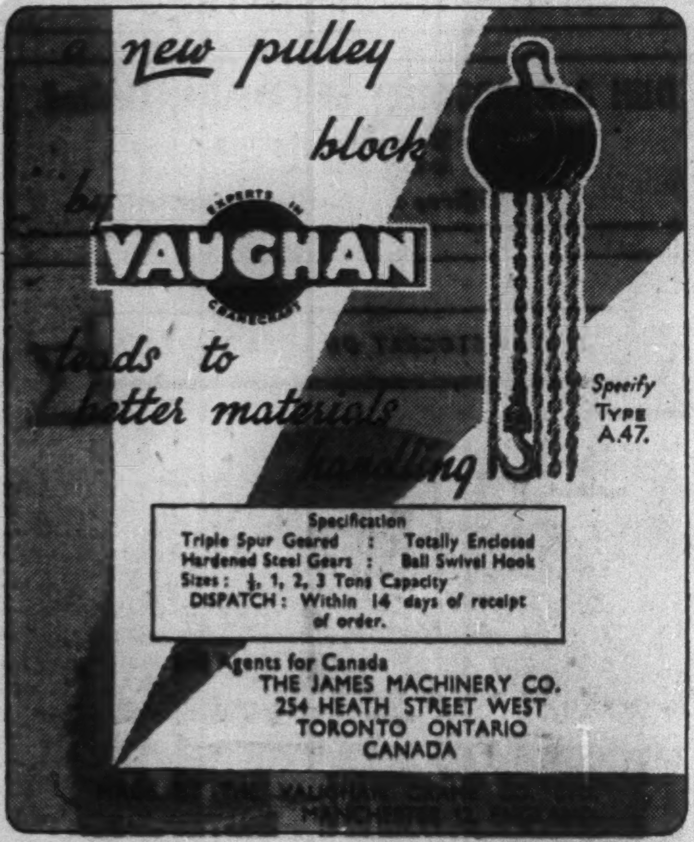

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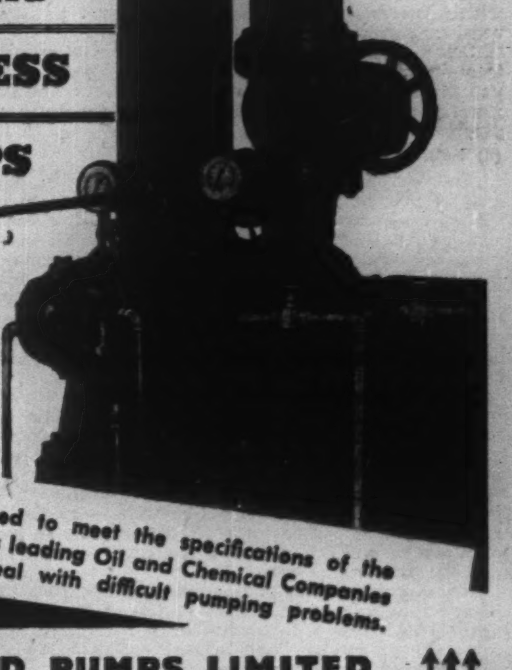

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Equipment in the United Kingdom

Growth of Canadian Oil production stimulates greater effort

The phenomenal increase in the rate of production in the Alberta oilfields has been big news in the newspapers of the world and the oil potential in that area points to a great future. The British Petroleum Equipment Industry is eager to play its part in the development and as an indication of that willingness it was decided to take advantage of the pages of "The Financial Post" and to show in the space available some of the products manufactured by Members of the Council of British Manufacturers of Petroleum Equipment. Applications for spaces were considerably in excess of the number available and it is therefore hoped to issue a similar announcement at a later date.

In the meantime it is hoped that readers of "The Financial Post" will read these announcements with care and will take advantage of the various catalogues which will be sent out to them. For an over-all picture readers are recommended to send for copies of "British Petroleum Equipment" 1949 edition mentioned on the previous page.

It was felt that to make this announcement during the progress of the Toronto exhibition would make a special appeal to readers.

The report of the British Engineering Mission which visited Canada last year made it abundantly clear that the Canadian Engineering Industry was not only highly efficient but was able to satisfy much of Canada's present needs. The Alberta developments have been so rapid, however, and show every sign of continuing to be so for some years, that it is clear that equipment of all kinds will have to be imported. British Industry is resolved to strive for a share of this valuable market.

This resolve is an easy one to make because British manufacturers know full well that Canada will give them every encouragement provided the goods and the service reach the high standard demanded. British manufacturers have learned from hard experience that in the oil industry there is only one way of doing the work successfully and that is by being on the spot. The habit of sending highest grade executives and technical experts to Fields and Refineries is becoming commonplace. The Council of British Manufacturers of Petroleum Equipment proposes to extend its activities in that direction in the near future. Mr. T. L. Bonstow, Director of the Council from 1943 to 1948, has given way, on grounds of age, to Col. A. S. Osborne, O.B.E., M.C., who will, in due course, as part of his regular duties, visit oilfields and refineries in all parts of the world to make close contact with the people on the spot, to report to the Council on behalf of Members on all matters relative to British equipment, in short, to act as good will ambassador. Members of the Council, for their part, in addition to individual visits, are investigating collective technical representation in all parts of the world.

Visits by Members of the Council to the Caribbean, the Middle East, the report of the Engineering Mission to Canada, each emphasised the lack of adequate literature from Britain. First class literature is available and again it is emphasised that on these two pages will be found invitations to send for recently prepared catalogues. If application is made to the Council of British Manufacturers of Petroleum Equipment a wide variety of literature prepared by Members covering the widest possible range of petroleum equipment will be sent in addition to the Council's own publications.

Mr. R. A. McMullen, the United Kingdom Agent General for Alberta, has been of the greatest help to the Council in emphasising the possibilities of the Alberta Oilfields to British manufacturers and this is a suitable opportunity to thank him. Mr. McMullen recently addressed a meeting of 200 Members of the Council giving them the Canadian point of view and showing the way to mutual trade. Members of the Engineering Mission, including Sir Harry Gilpin the leader, were present at the meeting and endorsed Mr. McMullen's remarks exhorting manufacturers to go out and secure their share of this most valuable market.

MR. S. T. ROBSON, Immediate Past Chairman, Council of British Manufacturers of Petroleum Equipment. Chairman 1943-1948.

Visits have already been made and more are to be made. In every case Mr. McMullen has made certain that his government in Alberta is made aware of these visits so that the British visitor is certain of meeting the right people and learning all that there is to be learned.

These two pages are in the nature of an advance guard to be followed quickly by the main force. There is a splendid opportunity for British manufacturers to do profitable business in Canada which, as is well known, is one of the principal objectives of the British Government at the present time. In the case of petroleum equipment, Alberta will need it and the United Kingdom can supply—it would appear to be an outstanding example of mutual advantage. The Council of British Manufacturers of Petroleum Equipment is at the service of both the Canadian Oil Industry and British manufacturers and complete and efficient liaison should be assured.

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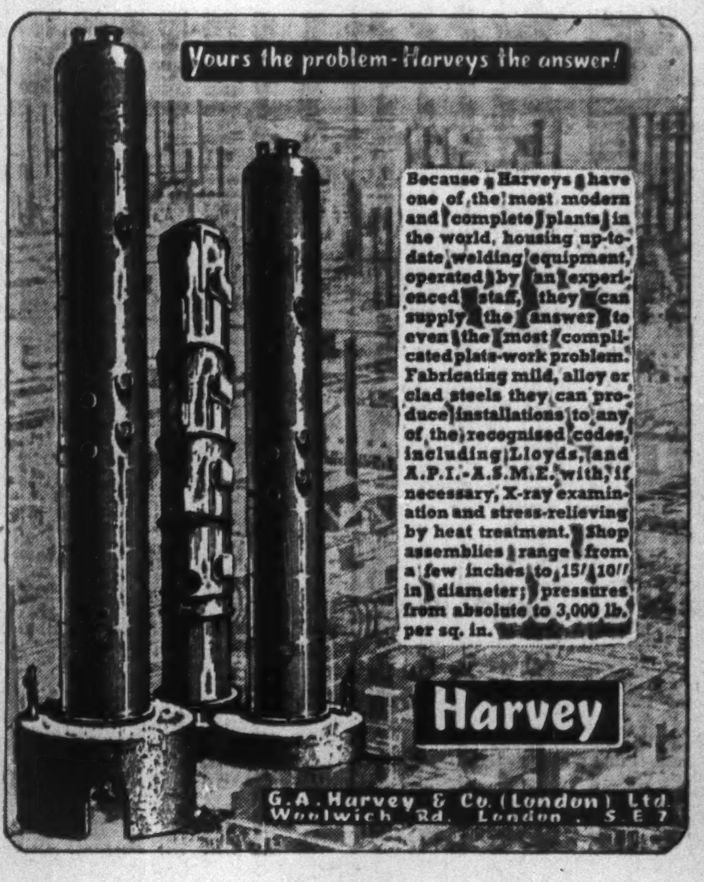
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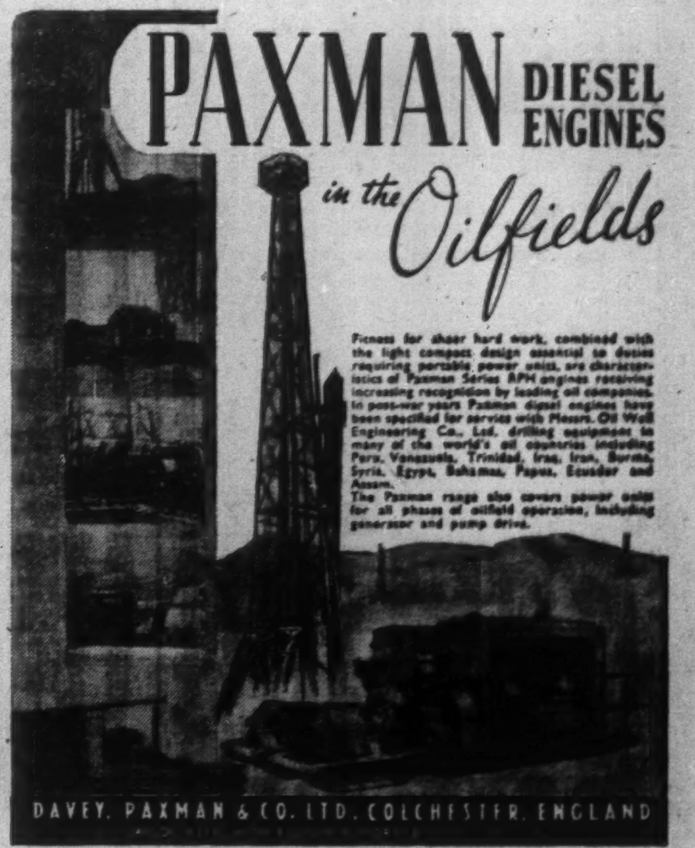

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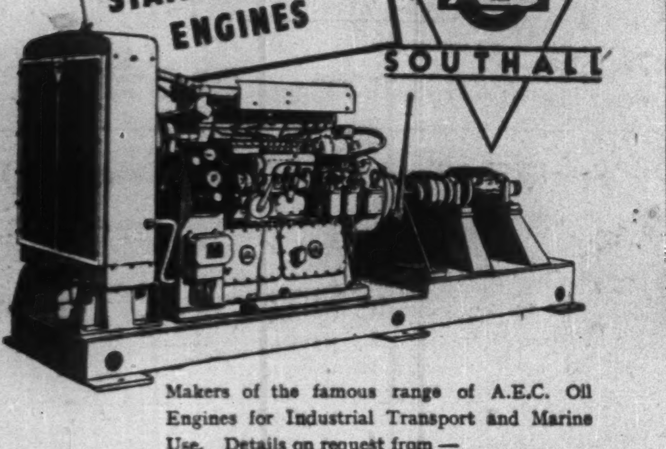

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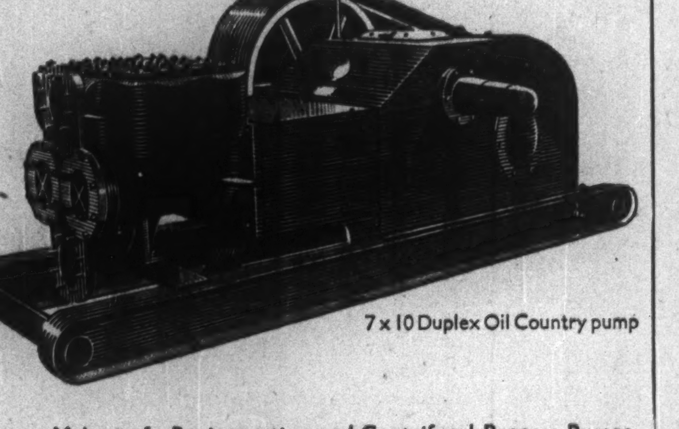
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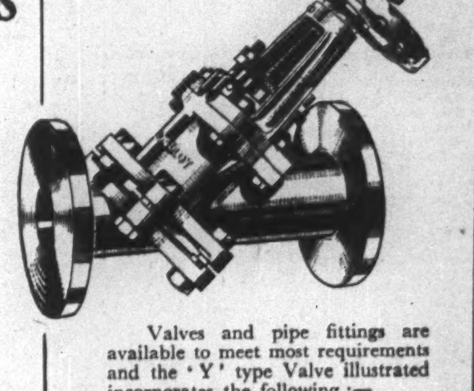

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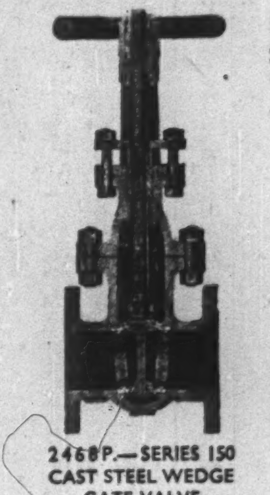
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WEEK ENDING MAY 27

Range 1949 High	Low	Div R'te $	May 27 Y'ld %		Sales	Last May 20	Week end. May 27 H	L	Cl'se
17½	12	■.50	...	Abitibi, new	4712	13½	13½	12	12
20½	17½	1.50	8.5	Do. $1.50 pf.	6216	18½	18½	17½	17½
38½	35½	2.50	6.8	Do. $2.50 p n	30	36½	37	36½	37
25	21½	1.00+■1.15		Acadia Atla A	610	24	23½	23½	23½
103	100	5.00	5.0	Do. 5% pref.	25	100½	100	100	100
9½	8	■.30	...	Agnew Surp.	375	8½	8½	8½	8½
56	37½	...	...	Algoma Steel	1246	41½	41½	37½	38
26½	25	1.00	3.9	Alum of Can p	285	25½	25½	25½	25½
61½	48½	2.00+†.75		Aluminium, n.	1525	50½	50½	48½	49
6½	5½	.60	10.5	Argus	930	5½	5½	5½	5½
26½	21½	1.20+†.55		Asbestos	525	22½	23	22	22
13½	10½	.60	5.2	Ashdown Hdwe	200	11½	12	11½	11½
90	86½	†▲2.58	...	Assoc T&TA pf	75	.86½	87	87	87
12½	11	1.00	8.9	Atlas Steels	2925	11½	11½	11½	11½
5½	4	.40	8.9	Auto Fabric B	50	4½	4½	4½	4½
20½	19½	.80	4.0	Bk. Can. Nat.	205	20½	20	20	20
26½	25	.80+■.20		Bk. Montreal	2730	25½	25½	25½	25½
38	34	1.20+■.20		Bk. N. Scotia	550	35	35	34½	34½
23½	18	1.50+■.87½		Bathurst Pr. A	520	19	19	18	18
6½	4	■.25	...	Do. (B)	23	4	4	4	4
14½	13½	■.25	...	Beatty Bros.	225	14	13½	13½	13½
23	20	1.00	4.8	Beaver Lumber	500	21½	21	20½	20½
30	28	1.40	4.9	Do. pref.	80	28½	28½	28½	28½
170	160	7.00	4.2	Belding Cort. p	15	165	170	165	165
17½	16½	1.00	5.9	Belgium Glo. p	75	17	17	17	17
41½	38½	2.00	4.9	Bell Telephone	6259	41½	41½	41½	41½
7½	5	.20	2.9	Bertram & S B	100	7	7	7	7
12	10		...	Blue Ribbon	50	10½	10½	10½	10½
25½	25	1.30	5.2	Brant. Cord. pf	11	25½	25½	25½	25½
18	16½	■.50	...	Brant. Roof.	294	17	16½	16½	16½
20½	18	2.00	11.0	Brazilian Tr.	6811	18½	18½	18	18½
14½	12	■.60	...	Br Am Bk Nts	160	14	13½	13½	13½
25½	22	1.00	4.2	Brit. Amer. Oil	1770	24	24	23½	23½
25½	24	.93½	3.9	Do. pf. new	365	24½	24½	24½	24½
101½	97½	4.75	4.8	B.C. El. 4¾% p	15	98	97½	97½	97½
3	2½	.30	11.5	B.C. Forest	2145	2½	2½	2½	2½
13	10	.75	7.2	B.C. Packers A	195	10½	10½	10½	10½
6½	5	.50	8.3	Do. (B)	215	5½	6	5½	6
26½	24½	1.60	6.2	B.C. Power A	355	26	26½	26	26
3½	2		...	Do. (B)	1525	2½	2½	2	2½
114	80		...	B.C. Pulp & P	65	85	80	80	80
160	150	■1.75	...	Do. pref.	20	155	153	152	153
4	2½		...	Brown Co.	6255	2½	2½	2½	2½
103	74	▲6.00		Do. pref.	655	84	84	74	75
17½	14	1.20	7.9	Bruck Mills A.	135	15½	15½	15	15½
5½	4	.30+■.07½		Do. (B)	125	5½	5½	5	5
33	27	1.60	5.7	Building Prod.	485	27½	28	27½	28
14½	12½	■.35+.25		Burlington St'l	40	13½	13½	13½	13½
17½	13½	1.20+■.30		Burns & Co. B	25	13½	13½	13½	13½
8½	7	.45	6.2	Burrard DD A	510	7½	7½	7½	7½
31½	30	1.50	5.0	Caldwell L 1 p	25	30	30	30	30
3½	2½	.10	3.6	Canada Bread	50	2½	2½	2½	2½
	41	2.50	6.0	Do. pref. B.	10	41	42	42	42
26½	22		...	Canada Cement	664	22½	22½	22	22½
30	27	1.30	4.6	Do. pref.	350	29	29	28½	28½
22	18½	■.45	...	C. & D. Sugar	1265	20½	20½	19½	19½
24	19	.80	4.0	Can. Iron	50	22	20½	20½	20½
50	42½	2.00	4.1	Can. Malting	20	48½	48½	48	48½
10	8½	.60	6.9	Can. Nor. Pr.	20	8½	8½	8½	8½
34	29	1.50	5.0	Can. Packers A	10	31	30	30	30
16½	14	.50	5.3	Do. (B)	460	15½	15½	15½	15½
192½	186	8.00	4.2	Can. Perman.	16	192	192	190	190
14½	12½	1.00	7.8	Can. Steam'shs	320	13½	13½	12½	12½
38	35	2.50	6.9	Do. pref.	120	36½	36½	36	36
13½	12	.80	6.2	Can. Vinegars	50	12	13	13	13
83	79	4.00	4.8	Can W Cable A	15	83	83	83	83
29	24½	■1.00	...	Do. (B)	60	29	28½	28½	28½
6½	5½	■.20	...	Can. Bakeries	225	5½	6½	6	6
24½	22½	.80+■.20		Can. Bk. Com.	1210	24½	24½	24	24
21	19	2.00	9.7	Can. Breweries	6091	20½	20½	20½	20½
23½	20	■.81	...	Can. Bronze	75	21½	21½	21½	21½
18	15	1.25	7.8	Can. Canners	360	15	16	15½	16

Range 1949 High	Low	Div R'te $	May 27 Y'ld %		Sales	Last May 20	Week end. May 27 H	L	Cl'se
17	14½	1.00+■.25		Gypsum, Lime	640	15½	15½	15	15
10½	8		...	Halifax Insur.	220	8½	8½	8½	8½
10½	7	▲.50	...	Ham. Bridge	600	10	10	9½	9½
12	9½	.80+■.10		Harding Carpet	165	10½	10	10	10
13	9½	1.00	9.1	Hendershot Pap	50	11	11	11	11
19½	14	1.00	6.3	Hinde & Dauch	40	16½	16½	16	16
5½	4	■.10	...	Holden Mfg. B	25	5	5	5	5
8	7½	.50	6.9	Horner F W p	100	7½	7½	7½	7½
31	27	2.00	6.8	H. Smith Pap.	385	29½	29½	29½	29½
47	44½	2.00	4.4	Do. pref.	158	46	45½	45	45
117	112	5%	4.4	Huron & E Mt	5	114½	115	115	115
29½	27½	1.20	4.1	Imperial Bk.	1540	29½	29½	29	29
19½	16½	.50	2.7	Imperial Oil	11546	18½	18½	18½	18½
14½	13½	.50+■.20		Imperial Tob.	1695	13½	14	13½	13½
25½	24½	1.00	4.0	Do. 4% pref.	605	25½	25½	24½	25½
7½	6½	6%	4.2	Do. 6% pref.	10	7½	7	7	7
23½	19½	1.50	6.5	Indust. Accept.	885	23	23½	23	23
85	83	4.25	5.0	Do. 4¼% pf.	10	84½	85	85	85
8½	7	.50	6.9	Ingersoll M&T.	75	7	7½	7½	7½
22	17	1.50	8.8	Inter. Bronze p	35	17	17	17	17
.33	.20	.03	.01	Inter Coal & C	500	.20	.24	.22½	.24
26	22	1.60	7.0	Int. Metal Ind.	210	22	23	22½	23
36	30½	▲1.60+†.40		Inter. Nickel	10808	31½	31½	30½	30½
26½	24	1.20	4.8	Inter. Paints, p	50	24	25	25	25
58	47½	▲4.00		Int. Paper	3550	49½	50	47½	48
13	7½	.50	6.7	Int. Pete.	8282	8½	8½	7½	7½
59½	50		...	Int. Power	175	52	52	50½	50½
15½	13½	▲1.00	...	Int. Util.	1580	15	15	14½	14½
8½	8	■.50	...	Inv Foundation	6	8	8	8	8
52	50	3.00	6.0	Do. pref.	11	52	50	50	50
13	11½	1.00	7.7	Jam. Pub. Ser.	100	13	13	13	13
110	105	7.00	6.7	Do. pref.	10	105	105	105	105
9	8	.40	5.0	John Inglis	950	8½	8½	8	8
30	25	2.00+†.87½		Kelvinator	140	30	29½	29	29
24½	19½	1.00	5.1	Labatt, John	50	20	19½	19½	19½
29	21½	1.60	6.5	Lake of Woods	225	24½	24½	24½	24½
155	147	7.00	4.8	Do. pref.	5	149	147	147	147
19½	16½	1.00	5.4	Lang, J. A.	195	19	19	18½	18½
1.50	1.50		...	Langley's	400	1.50	1.50	1.50	1.50
16	14½	.80	5.5	Laura Secord	240	15½	15½	14½	14½
14½	11½	1.00	8.3	Lewis Bros.	25	11½	12	12	12
31½	27½	1.00+■.12½		Loblaw (A)	185	27½	28	27½	27½
29	27	1.00+■.12½		Do. (B)	390	28½	28½	28½	28½
7½	6½	.60+■.10		Lon. Hose.	100	7	7	7	7
11½	10½	.80	7.8	Do. (A)	10	10½	10½	10½	10½
16½	14	1.00	6.9	Lowneys	185	14½	14½	14	14
39½	34½	2.00+■.25		Maclaren Pr.	315	36	34½	34½	34½
10	8½	.50	5.8	MacMillan Ex.	100	8½	8½	8½	8½
7½	6½	.50	7.6	Do. (B)	1390	6½	6½	6½	6½
19½	16	■.50	...	Mailman Corp.	20	16½	16	16	16
95	92	5.00	5.4	Do. pref.	80	93	93	92	93
20	10½	.50	3.3	M. L. Gardens	25	15	15	15	15
11½	8	■.50	...	Maple Leaf M.	100	8½	8½	8½	8½
18	17	.80	4.5	Maritime Tele.	50	17½	17½	17½	17½
22½	17½	1.00	5.6	Massey-Harris	2605	19½	17½	17½	17½
27½	25½	1.25	4.9	Do. pref.	365	26½	26½	25½	25½
8	6	■.25	...	Maxwell Ltd.	200	7½	7½	7½	7½
18	17½	1.00	5.7	McBrine	25	17½	17½	17½	17½
15½	11½	.50	4.4	McColl Fron.	4130	13½	13	11½	11½
98	90½	4.00	4.3	Do. pref.	65	94	94	93	93
7½	6½	.60	9.0	Mercury Mills	205	6½	6½	6½	6½
1.10	.50	■.05	...	Mica of Can.	100	.75	.80	.80	.80
1.55	1.00		...	Milton Brick	3700	1.05	1.20	1.05	1.20
22½	15½	▲2.00	8.4	Minn & Ont P	2800	16½	16½	15½	15½
20	17	1.00+■.50		Mitchell, Robt.	185	19	19	18	19
5½	4		...	Mod. Tool	250	4½	4	4	4
37	33	1.00+■.50		Molson Brew.	150	37	37	36	36
14	11½	1.00	8.7	Monarch Knit.	25	11½	11½	11½	11½
110	105	12%	10.9	Monar L 30% p	20	105	110	110	110
7½	6½		...	Monarch Mtge.	40	7	6½	6½	6½
23½	19½	■1.00+.70		Montreal Loco.	1596	22	22	21	21½

Mining Stocks

Week Ended May 27

Oil Stocks

* N. Y. funds. ‡ Extra. ‡ Paid in 1946. † Paid in 1948. ▼ Paid or payable in 1949. § Paid in 1947.

Volume of Stock Sales

	Montreal	Toronto	Calgary	Vancouver	New York
May 30 ...	157,100	797,000	51,865	36,565	......
May 28 ...	......	......	......	......	......
May 27 ...	189,900	760,000	126,735	91,248	880,000
May 26 ...	162,300	618,000	92,000	49,255	860,000
May 25 ...	161,700	739,000	42,300	39,307	1,090,000
May 24 ...	......	......	......	......	1,040,000

STOCKS NOT TRADED THIS WEEK

Unlisted Stocks

(Compiled from quotations supplied by Intercity Securities Corp., Kamm, Garland & Co. and Kippen & Co.)

May 30, 1949

	Bid	Ask.
Acadia Apts. com.	11.50	....
Aikenhead Hardware Co.	75.00	80.00
Allens Kingston units	78.00	....
Allens Toronto units	45.00	....
Anglo Can. Telephone A	9.50	10.50
Do. pfd.	43.50	45.50
Beach Foundry pfd.	94.00	....
Beauharnois L. H. & Pr.	20.00	21.00
Beauharnois Power	7.50	9.50
Bolivian Power com.	24.00	....
Brinton Peterboro Corpet	91.00	....
British Amer. Assur.	70.00	....
British Mtge. and Trust	185.00	195.00
B. C. Sugar	85.00	87.00
B. C. Telephone pfd. ¾%	101.50	103.50
Brockville Trust $50 par	60.00	....
Canada Tea pfd.	93.00	....
Can Co-op. Woolgrowers	8.25	....
Candn. Fire Insur. $10 par	19.00	....
Candn. General Invest.	15.25	16.00
Can. Gen. Sec. C	7.00	....
Candn. Indemnity	16.50	....
Can. Invest. Fund	4.35	4.80
Can. Investors Corp.	7.75	8.50
Candn. Motor Lamp	11.25	12.50
Can. West. Nat. Gas com.	61.00	....
Do. pfd.	18.25	19.25
Capital Wire Cloth com.	13.50	....
Do. pfd.	25.00	....
Cawthra Apts. units	15.00	....
Chase, A. W. units	53.00	56.00
Colonian Realty com.	6.00	....
Colonial Steamships com.	107.00	....
Commercial Finance com.	17.50	....
Commercial Life 10% pd.	9.50	....
Commonw'lth Inter. Corp.	3.12	3.43
Confed. Life 30% paid	190.00	....
Cons. Div. Stand. Sec. com.	.30	....
Do. pfd.	15.00	17.00
Cons. Oka Sand & G. com.	.75	....
Do. pfd.	3.50	....
Continental Life 20% paid	44.00	....
Cooksville A	10.00	11.50
Do. B	4.00	5.50
Copeland Flour Mills units	34.00	40.00
Corporate Investors	7.87	8.45
Crown Life Ins. 100% pd.	320.00	....
Cuban Can. Sugar com.	3.00	3.25
Debent. & Securities pfd.	99.00	....
Detroit Inter. Bridge	14.50	16.00
Dom. Can. Gen. Insur.	200.00	230.00
Dom. Life Assur.	250.00	....
Dom. Royalties com.	.05	....
Dover Industries Ltd.	10.50	11.50
Dunlop Tire pfd.	24.50	26.00
Dupuis Freres pfd.	22.75	23.75
Empire Life 25% paid	17.00	19.00
Do. 20% paid	14.50	....
Essex Packers com.	....	5.00
Do. pfd.	....	41.00
Excelsior Life Ins. 50% pd.	102.00	....
Foreign Power Co.	4.00	6.00
Galt Brass com.	32.00	....
Goderich Elev. & Trans.	15.50	16.50
Great West Life	400.00	430.00
Guardian Realty pfd.	54.00	....
Guaranty Co. of N. America	385.00	415.00
Guelph & Ont. Svgs. $50 p.	61.00	....
Gurney Foundry com.	45.00	....
Halifax Insurance	8.00	9.00
Hart Battery com.	9.50	10.50
Hartz, J. F. A	9.50	11.00
Homewood Sanitarium	106.00	....
Hudson Bay ord.	10.00	....
Imperial Life	335.00	355.00
Indust. Mtge. Trust $50 par	61.00	....
Ingram & Bell pfd.	100.00	....
Lambton Loan $50 par	80.00	84.00
Laprairie com.	3.00	....
do. pfd.	....	95.00
Loblaw Groc. Inc.	17.50	....
Manufacturers Life Ins.	340.00	360.00
Mersey Paper com.	33.00	....
Midland Properties pfd.	30.00	....
Moirs Ltd. 6% pfd.	110.00	....
Monarch Life 30% pd.	106.00	....
Mortgage Discount pfd.	2.00	....
Mountainview Apts. pfd.	24.00	....
Natl. Drug & Chem. com. N.	7.50	8.25
Do. pfd.	10.00	11.50
Natl. Life Assoc. 25% pd.	57.00	....
New Brunswick Telephone	11.75	12.75
New Method Laundry com.	3.00	....
Northern Tel. com.	1.75	2.75
Ont. & Que. Rly. 5% c. stks.	145.00	....
Ont. Tobacco Holdings	6.50	8.00
Paramount Oshawa pfd.	85.00	....
Peller Brewing com.	2.50	3.25
Do. pfd.	16.50	18.00
Provincial Bank of Can.	15.75	16.75
Prudential Trust	11.50	....
Quality Steels com.	....	.50
Ritchie Cut Stone pfd.	7.25	8.25
Sawyer Massey com.	2.75	3.50
Sec. Stand. Roy. pfd.	.04	....
Seiberling Rubber com.	5.00	6.00
Sincennes' McNaught. Tugs	2.25	3.00
Sherbrooke Trust	140.00	....
Sovereign Life 25% pd.	44.00	....
Standard Fuel pfd.	38.00	41.00
Do. com.	3.00	5.00
Sun Life Assce.	495.00	505.00
Thayers Ltd. com.	7.50	....
Do. pfd.	54.00	57.00
Third Can. Gen. Inv.	3.50	4.00
Toronto General Ins.	6.00	....
United Steel A pfd.	24.50	26.00
Victoria Trust & Savings	135.00	....
Washington Royalties	.50	....
Waterloo Manuf. com.	7.00	8.00
Waterloo Trust & Svgs.	123.00	127.00
Western Assur. com.	67.00	70.00
Do. pfd.	41.00	....
Western Grain com.	.75	1.25
Do. pfd.	21.00	24.00
Wood, Alex. & Jas. com.	3.00	....
York Trading com.	10.50	12.00

BUSINESS BAROMETER

	MAY	APR.	MAR.	FEB.	Year Ago
GOVERNMENT FINANCE (Millions of $)					
■Dom. total expend.	....	74.8	....	....	66.6
■Dom. total rev.	....	181.6	....	....	196.2
MERCHANDISING					
■Dept. store sales (3)	+7	+15	+7.2	+9.3	....
Country store sales (3)	....	....	+1.8	+3.6	....
Retail store sales (3)	....	....	+5.6	+5.0	....
Wholesale sales index (1)	....	....	283.4	245.1	264.9
FINANCE					
Dividend payment index (1) (5).	....	217.9	217.5	215.7	195.1
Money supply (millions $)	....	....	4,141	4,091	3,933
NEWSPRINT CAPACITY					
Production ratio (7)	....	102.9	101.7	102.1	102.2
RAILWAY FREIGHT LOADINGS					
Tons (D.B.S.) (1)	....	211.2	228.0	207.6	229.6
Cars (D.B.S.) (1)	....	157.6	163.9	161.7	170.1
COST OF LIVING					
D.B.S. (1)	....	159.3	159.2	159.5	151.6
EMPLOYMENT INDEX					
■All industries (6)	....	187.6	188.8	190.5	186.6
■Manufacturing (6)	....	203.1	203.0	202.9	202.0
Payrolls (June 1/41=100) (2)	....	....	207.1	207.1	188.8

	1949	1948	1949 Jan. 1 to date	1948	% Change
RAILWAYS—(000's omitted)					
■Carloadings (week May 21)	73.5	76.7	1,450.9	1,480.9	—2.0
C.N.R. gross rev. (Apr.)	40,355	40,941	156,001	147,611	+5.7
C.N.R. net rev. (Apr.)	1,607	4,165	—533	5,710	—106.7
■C.P.R. gross rev. (Apr.)	30,137	27,520	115,695	105,079	+10.1
■C.P.R. net rev. (Apr.)	1,305	1,323	1,623	2,659	—39.0
IRON AND STEEL PRODUCTION (000s omitted) (Mar.)					
Pig iron production (tons)	202.1	172.7	557.9	483.8	+15.3
Steel production (tons)	298.5	286.0	842.4	782.4	+7.7
CONSTRUCTION (000's omitted)					
Contracts awarded (Apr.)	79,794	83,694	280,498	209,298	+34.0
Cement prod., bbls. (Apr.)	1,340	1,105	3,565	3,117	+14.4
AGRICULTURE (000's omitted)					
■Flour prod., bbls. (Apr.)	1,587	1,952	6,233	7,515	—17.1
Flour exp., bbls. (Apr.)	871	1,285	3,229	4,145	—22.1
Wheat exp., bush. (Mar.)	10,512	10,112	35,650	28,893	+23.4
Cattle sales (Apr.) (4)	108.3	102.4	460.5	486.3	—5.3
Hog sales (Apr.)	346.9	402.3	1,397.5	2,029.1	—31.2
SEA FISHERIES (000,000's omitted)					
Catch, lb. (Mar.)	22.8	30.4	191.4	240.0	—20.3
Landed value (Mar.)	1.2	1.5	5.0	5.7	—12.3
NEWSPRINT (000's omitted)					
Production (Apr.) (7)	442	418	1,726	1,604	+7.6
Exports, tons (Apr.) (7)	400	384	1,536	1,436	+7.0
MINING AND OILS (000's omitted)					
Coal prod. (tons) (Apr.)	1,237	1,605	6,439	5,815	+10.7
Gold prod. (fine oz.) (Feb.)	307	262	535	616	—13.2
Petroleum prod. (bbl.) (Feb.)	1,443	780	2,799	1,557	+79.8
ELECTRICAL POWER OUTPUT (000,000's omitted) (Mar.)					
Total monthly kwh	3,924	3,759	11,023	11,006	+0.2
FOREIGN TRADE (millions of $)					
■Imports (Mar.)	235.9	197.1	665.7	585.3	+13.7
Exports (Mar.)	216.8	228.4	658.0	672.0	—0.2
FINANCE (millions of $)					
Bank debits (Mar.)	6,868	6,196	19,772	18,258	+8.3
Bond sales (Apr.)	164.6	196.3	1,444.9	1,810.9	—20.2
Life insurance sales (Mar.)	104.7	104.7	310.5	305.2	+1.7
OTHER INDUSTRIAL FACTORS (000's omitted)					
■Shoe prod. (Mar.)	3,492	3,091	8,984	8,248	+8.9
Cigarette cons. (no.) (Apr.)	1,342	1,331	5,188	5,120	+1.3

(1) Base period 1935-39=100.
(2) All industries.
(3) % change from year ago, latest week or monthly average.
(4) Total at yards and plants.
(5) Nesbitt Thomson, etc.
(6) Base period 1926=100.
(7) Includes Newfoundland.
■New item for week.

Stocks Not Traded This Week (Continued)

Mining Stocks

Government Bonds

(Supplied by Investment Dealers Assoc. of Canada)

May 31, 1949

%	Due	Bid	Ask
Victory Loans:			
3	June 1951	▲102	102¼
3	Mar. 1954	▲103¼	103½
3	Nov. 1956	▲103¼	103¾
3	May 1957	102¼	103
3	Jan. 1959	102	102½
3	June 1960	101¾	102¼
3	Feb. 1962	100¾	101¼
1½	Nov. 1950	100	100⅛
3	Oct. 1963	100¾	101¼
3	Sept. 1966	100¼	101¼
1½	Nov. 1949	100	100⅛
Dom. of Canada Bonds:			
3	June 1958	102¼	102¾
3½	Feb. 1952	102¾	103¼
3	Oct. 1952	100¼	100¾
3	June 1955	100¾	101¼
4½	Nov. 1959	101	101¼
3¼	June 1966	102¾	103¼
3	Perpetual	†98¼	100¼
Dom. Guarant'd Bonds			
Can. Nat. Railways:			
3	Jan. 1959	101¾	102¼
4½	Sept. 1951	■105	106¼
4½	Feb. 1956	■116¼	118¼
4½	July 1957	♦118¼	120¼
5	Oct. 1969	*■105	106¼
5	Feb. 1954	110¾	111¼
5	Feb. 1970	*■106	107¼
4¾	June 1955	■117¾	119¾
Can. Nat. W. Ind. S.S.:			
5	Mar. 1955	■117¼	119¼
Grand Trunk Pacific Rly.:			
3	Jan. 1962	■105	107
4	Jan. 1962	■116	118
Montreal Harbour Comm.:			
5	Nov. 1969	■*105	106¼
Provincial Govt. Bonds			
Alberta:			
3½	June 1950/64	100¼	102
3½	June 1959	105¼	107¼
3½	June 1950/72	♦101	102¼
3½	June 1950/71	100¼	102
British Columbia:			
2¾	Jan. 1967	94¼	96¼
4½	Jan. 1969	♦125	127¼
5	Apr. 1954	♦115¼	117¾
5	Sept. 1953	107	109
3	Dec. 1960	99	100¼
4	Dec. 1957	♦112¼	114¼
Manitoba:			
4	Dec. 1957	♦112	114¼
4½	Dec. 1956	♦115	117¼
5	Dec. 1959	■121	123¼
2¾	Aug. 1962/64	93¾	95¾
5½	July 1958	116¾	119
New Brunswick:			
4½	Apr. 1961	♦115¼	117¼
5	Jan. 1960	♦118¼	120¼
2¾	June 1966	89	91
3½	Oct. 1960	*97¼	98¾
Nova Scotia:			
3½	June 1956	100¾	102¼
4½	Nov. 1960	♦119	121
5	Mar. 1960	♦123	125
3	June 1956/58	99¾	101¼
2¾	Sept. 1966	93¼	95¼
3½	May 1960/62	100¼	101¾
Ontario:			
2¾	Nov. 1965/69	94¼	96
3	Apr. 1962/65	99	100¼
3½	May 1952/55	102	103
4	June 1962	■116¼	119
4½	June 1950	102	103
4½	Jan. 1962	♦121¼	123¼
5	Dec. 1960	■124¼	127
2¾	July 1967/76	92¼	95
Ont. Hydro Commission:			
4	Aug. 1957	■113	115¼
2¾	June 1961/71	94	95¼
2¾	Oct. 1965/68	94¼	95¾
Prince Edward Is'l:			
4	Mar. 1951/54	101	102¼
Quebec:			
3½	Mar. 1954/59	102¾	104¼
3¾	Feb. 1952/55	103	104¼
4½	Aug. 1958	108¾	110¼
4½	Jan. 1963	113¾	115¼
3	Feb. 1960/62	99	100¾
4	Nov. 1950/52	102¼	103¼
Quebec Hydro Commission:			
3	Feb. 1969/73	97¼	98¾
Saskatchewan:			
4	Nov. 1955/60	98¼	100¼
5	Aug. 1958	105¼	107¼
4½	Mar. 1960	♦106¼	109
5	Dec. 1959	♦110	112¼
5½	Oct. 1952	104¾	106¼
6	Mar. 1952	105¼	107
3	Mar. 1963	90	92
3½	Nov. 1960/62	91¼	93
3½	Feb. 1960/62	95¼	97¼

▲Callable on or after earliest maturity shown & payable at maturity at 101.
†Callable on or after Sept. 15, 1966. ♦Payable Can. or N. Y.
■ Payable Can., N. Y. or £. *Callable at a premium.

Significant Investors' Index Numbers

No. of Securities	Mach. and equip. 10	Pulp and paper 10	Milling 4	Oils 5	Textiles and clothing 10	Food and allied prod. 15	Beverages 10	Bldg. mater. 16	Power and traction 12	Banks 8	Total utilities 16	Total co's 106
*1935 to date:												
High	247.7	287.9	149.7	123.7	221.9	138.5	447.0	168.5	146.2	136.3	149.0	126.1
Low	69.7	51.6	61.2	41.2	78.4	73.5	79.3	66.7	60.2	60.0	65.2	61.1
1948: Monthly Figures:												
Jan.	189.8	216.9	113.8	70.5	188.4	117.6	312.6	132.6	101.4	132.5	112.9	107.5
Feb.	179.7	242.7	105.5	65.8	185.3	111.8	294.1	122.5	95.2	129.7	110.1	102.2
Mar.	189.5	243.7	104.9	65.2	186.6	109.6	289.7	121.4	98.4	127.8	107.4	101.5
Apr.	209.1	256.5	109.5	70.1	197.2	115.2	312.6	132.0	102.5	127.7	116.5	109.1
May	228.0	274.1	113.1	76.6	215.7	114.0	331.8	142.4	107.8	128.4	127.8	116.5
June	247.7	279.8	111.7	79.5	220.2	115.9	324.3	144.1	108.7	128.5	132.2	120.3
July	234.9	275.9	111.2	75.1	221.9	115.5	315.3	139.5	106.6	127.8	126.2	116.3
Aug.	234.8	272.2	108.8	72.8	214.8	113.2	300.3	137.1	106.7	127.9	123.2	113.6
Sept.	231.1	269.4	107.9	74.9	211.5	111.5	297.8	136.7	105.7	128.3	121.2	113.4
Oct.	234.6	268.9	103.5	78.4	212.9	112.8	305.7	139.6	108.8	128.4	123.2	116.4
Nov.	235.5	267.6	100.3	79.6	217.8	116.6	315.4	140.9	107.8	132.6	121.3	117.8
Dec.	232.2	256.9	98.8	78.9	217.8	114.1	302.8	139.6	106.9	132.4	120.2	115.8
1949: Monthly Figures:												
Jan.	234.1	257.1	96.4	75.9	214.3	115.2	294.5	143.0	108.2	132.6	119.2	114.3
Feb.	224.1	244.1	89.8	68.7	202.1	113.6	281.5	139.7	105.7	131.0	115.1	108.1
Mar.	217.5	236.7	85.9	69.5	205.9	112.0	276.1	137.4	106.4	131.0	113.7	106.4
1949: Weekly Figures:												
Apr. 7	213.0	236.0	88.8	70.5	205.5	112.6	275.7	139.7	111.1	132.4	116.5	106.7
Apr. 14	213.9	237.3	88.8	71.2	207.7	112.6	274.6	139.8	110.2	132.5	116.5	107.3
Apr. 21	212.6	234.5	88.3	70.7	206.8	111.3	272.0	140.0	110.5	132.7	115.7	106.2
Apr. 28	208.2	228.8	87.6	70.6	202.6	111.2	275.2	138.7	106.9	132.1	113.9	105.4
May 5	214.4	232.1	85.5	71.6	209.2	112.2	277.7	138.6	108.1	132.3	114.1	106.4
May 12	210.2	228.3	84.6	71.2	204.8	113.9	274.7	137.0	108.0	132.2	114.0	105.7
May 19	206.9	227.7	83.2	70.0	200.4	113.0	277.4	135.0	108.2	133.3	114.2	105.8
May 26	202.0	221.3	83.6	68.1	202.5	112.2	273.0	134.7	105.0	131.6	111.6	103.1

*High and low for year from 1935 to date inclusive are based on weekly figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
May 30	164.46	91.67	80.15	43.25
May 28	....	....	....	....
May 27	164.48	94.15	82.25	44.00
May 26	168.47	95.78	83.88	45.81
May 25	176.15	96.52	85.06	46.36
May 24	....	....	....	....
Month ago	170.50	101.04	89.69	49.04
Year ago	189.80	92.32	102.52	45.46
1949 High	182.74	104.72	110.34	58.43
1949 Low	164.48	89.83	82.59	44.00

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	30 Com.	10 Pprs.	15 Golds
May 30	71.4	113.2	99.2	265.02	61.92
May 28	...	....	....	....	....
May 27	71.5	114.4	100.1	269.83	63.14
May 26	71.5	116.0	101.2	275.85	64.44
May 25	72.1	116.5	101.7	276.78	64.71
May 24	...	....	....	....	....
Month ago	72.6	119.6	103.9	281.53	64.71
Year ago	75.2	133.2	113.9	378.78	65.84
1949 High	73.9	132.4	112.9	343.31	69.50
1949 Low	70.2	114.4	100.1	265.02	62.74

Dow-Jones Closing Stock Averages

	30 Indust.	20 Rails	15 Util.	65 Stocks
May 30	.....	.....	.....	.....
May 28	.....	.....	.....	.....
May 27	171.53	46.32	35.36	61.89
May 26	171.90	46.67	35.56	62.15
May 25	171.84	46.76	35.50	62.13
May 24	171.49	46.35	35.42	61.91
Month ago	174.53	47.13	35.40	62.79
Year ago	190.74	60.81	35.83	70.40
1949 High	181.54	54.29	36.38	66.18
1949 Low	171.10	46.34	33.36	61.51

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

May 31, 1949

Public Utility Issues:	Rate %	Due	Bid	Ask.	Prev. Week Bid
▲Alg. Cen. H.B.R.	5	'59	68¼	71¼	69
†Assoc. Tel. & T.	5½	'55	105	...	105
Bell Telephone	3	'77	97	100	97
B.C. Electric	3½	'67	93	96	93
Calgary Power	3½	'72	96	...	96
East Kootenay	3¾	'67	88¼	91¼	89
▲Gatineau Pr. D	3½	'70	99¼	102¼	99¼
*Do. C	3	'70	98	101	98
Gt. Lakes Pwr.	3¾	'67	97¼	100¼	97¼
*Int. Hydro-El.	6	'44	69¼	72¼	69¼
L. St. Law. Pwr.	3½	'65	95	...	95
Maclaren-Quebec Power	3	'69	94¼	97¼	94¼
†Mtl. Trams. A	5	'55	92	95	91
Nat. Lt. & Pwr.	4½	'61	100	...	100
Nor. Que. Pwr.	4½	'67	98¼	101¼	98
Ott. L.H. & Pr.	4	'57	100¼	...	100¼
Power Corp.	3½	'67	96	99	96
Quebec Power	3	'62	97¼	100¼	97¼
Saguenay Pwr.	3	'71	99	...	99
St. Maurice Pr.	3½	'70	97¼	100¼	97¼
Shaw W. & Pr.	3	'61	98¼	101¼	98¼
Shaw W. & Pr.	3	'71	94¼	97¼	94¼
Do.	3½	'70	100	103	100
Union Gas	4½	'50	100	103¼	100
Un. Fuel Invest.	4	'59	100¼	...	100¼
United Secs.	3	'52	99	...	99
Wpg. Electric	3½	'71	101¼	104	101¼
Industrial Issues:					
Abitibi Pr. P.	3½	'67	99	102	99
Acadia-Atlantic Sugar	3¾	'65	101	...	101
Aluminum Co.	3½	'74	101¼	...	101¼
Bathurst P. & P.	3½	'68	99	...	99
B.C. For. Prod.	4	'66	91¼	94¼	91¼
B.C. Pulp & Pa.	3½	'67	95	98	95
Bowater's Nfld. P. & P.	3½	'68	96¼	94¼	96
Brompton Pulp & Paper	3½	'66	92	95	93
*Brown Co.	5	'59	95¼	98¼	98
Burns & Co.	4	'63	97¼	100¼	97¼
Can. Steamship	3¾	'57	99	102	99
Can. Brew.	3½	'67	91¼	94¼	91¼
Can. Celanese	3	'62	97	...	97
Can. Oil	3½	'62	97	100	97¼
Can. W. Lum.	4	'62	100	103	100
C.P.R.	3½	'51	101	...	101¼
Do.	4	'49	100	...	100
C.P.R.	4	Perp.	106¼	...	107
Cockshutt Plow Co.	4½	'65	100¼	103¼	100¼
Columbia Cell.	5	'68	100	103	100
Consol. Paper	3½	'67	101¼	104	101¼
Dom. Coal	4½	'32	100¼	...	100¼
Dom. Tar & Ch.	3½	'37	101	...	101
Dom. Textile	3½	'59	101	...	101
Dom. Woolens	5	'64	100¼	103	100¼
Dryden Paper	4	'61	100¼	...	100¼
E. B. Eddy	3½	'66	99	102	99
E. B. Eddy	4	'66	102	...	102
English Elec.	4	'67	97	...	97
Federal Grain	4	'64	98	101	98
Gt. Lakes Pap.	3½	'67	99¼	...	99¼
Imp. Tobacco	2¾	'66	96¼	99¼	96¼
Indust. Accept.	3½	'66	94	97	94
Lake St. J. P.	5	'61	101¼	104	101¼
Lang, John A.	4½	'62	101	...	101
Laurentian Silk	4½	'67	100	...	100
MacMillan (H. R.) Ex.	4	'65	101	...	101
Maple L. M.	3½	'63	97	100	97
Massey-Harris	3	'66	94	97	94
Do.	4¾	'63	101¼	104	101¼
McColl-Front.	3	'71	94¼	97¼	94¼
Mercury Mills	4	'63	99	...	99
Monarch Knit.	4	'66	100	...	100
Morgan (Henry) Prop.	3½	'67	98¼	...	98¼
N.S. Steel Coal	3½	'63	99	102	99
Penman's	3½	'66	99¼	...	99¼
Price Bros.	3½	'66	100	103	100
Silv. Dairies	4	'60-64	97	100	98
Do.	4	'71	88	92	89
Simpsons Ltd.	3½	'60	101¼	104	101¼
Stl. Co. of Can.	2¾	'67	95	98	95
Tor. Elevators	3½	'66	98	...	98
United Corp.	4	'58	100	...	100
United Steel	4	'60	99¼	102¼	99¼
Un. Grain. Gr.	4	'63	101¼	...	101¼
†Western Grain	5	'63	84	88	83¼
York Knit. Mills	3½	'71	89	..	89

*Payable in Canada or United States.
*Payable in United States.
†Payable in Canada, U. S. or U. K.
▲Payable in Canada only.
▲Payable in Canada or U. K.

Municipal Bonds

May 31, 1949

	Coup. %	Matur.	Bid $	Ask $	Yld. %
Victoria	3¾	'55-66	97	99¼	3.79
Vancouver	3	'67	90	92¾	3.58
Calgary	3½	'62	98	101	3.44
Edmonton	3½	'60	98	101	3.39
Regina	3	'64	90	93	3.49
Moose Jaw	3-3½	'60	94	97	3.50
Winnipeg	2¾	'66	92½	95	3.12
Ottawa	3	'54	101½	103½	2.43
Toronto	2¾	'72	92	95	3.11
Hamilton	3	'60	98½	100½	2.94
Windsor	2½	'75	72½	75½	4.00
Quebec	2¾	'66	90	93	3.38
Halifax	3	'66	92	95	3.31
Saint John	3½	'65	98	101	3.34
Windsor	2¾	'75	76	79	4.00
Windsor	3½	'75	88½	91½	4.00
Montreal	3	'70	90	93	3.38

Record of Financing

Sales by Municipalities, Provincial and Dominion Government. Offerings of Corporation and Foreign Securities

MUNICIPAL

Town of Cobourg, Ont.—3¼%, 15-20 year debentures, $423,000, issued May 20, 1949. Sold at $101.40, cost basis 3.08% to Bank of Toronto & Midland Securities Ltd.

Township of McKim, Ont.—4%, 10-year installment debentures, $28,000, issued May 3, 1949. Sold at $99.50 to A. M. Ramsay & Co.

Village of Ste-Anne-de-Beaupre, Que.—3% debentures, due June 1, 1950-64, $85,500, issued May 16, 1949. Sold at $97.12 to Savard, Hodgson & Co. Inc.

Town of St. Mary's, Ont.—3% debentures, due June 1, 1950-69, $125,000, issued May 16, 1949. Sold at $98.7864 to Midland Securities Ltd. and Royal Bank of Canada.

County of Cumberland, N.S.—3% debentures, due June 1, 1950-59, $20,000, issued May 17, 1949. Sold at $100.269 to Dominion Securities Corp. Ltd.

Township of Toronto, Ont.—3¼% debentures, due June 1, 1950-64, $179,000, issued May 17, 1949. Sold at $100.57 to C. H. Burgess & Co.

Municipality of Les Eboulements, Que.—3½% debentures, due Nov. 1, 1949-63, $55,000, issued May 18, 1949. Sold privately at $100.

City of Port Moody, B.C. — 4% debentures, due June 1, 1950-69, $135,000, issued May 18, 1949. Sold at $97 to McMahon & Burns Ltd.

Township of Morin, Que.—3½% debentures, due Dec. 1, 1949-63, $25,000, issued May 18, 1949. Sold privately at $94.90.

Town of Red Deer, Alta.—3¼% debentures, due 1950-69, $100,000, issued May 18, 1949. Sold at $100.60 to Wood, Gundy & Co. Ltd.

Town of Shediac, N.B.—3¼% and 3½% debentures, due May 1, 1950-59-64, $125,000, issued May 18, 1949. Offered to yield 3.25-3.81% by F. J. Brennan & Co. Ltd.

CORPORATE

Bell Telephone Co.—3¾% first mortgage bonds, series G. Due June 1, 1975, $40,000,000, dated June 1, 1949. Sold at $102.128 and accrued interest to A. E. Ames & Co. Ltd., Royal Securities Corp. Ltd., Dominion Securities Corp. Ltd., Wood, Gundy & Co. Ltd., McLeod, Young, Weir & Co. Ltd., Nesbitt, Thomson & Co. Ltd., Greenshields & Co. Inc., L. G. Beaubien & Co. Ltd., Gairdner & Co. Ltd., Mills, Spence & Co. Ltd., Bell, Gouinlock & Co. Ltd., Cochrane, Murray & Co. Ltd., W. C. Pitfield & Co. Ltd., Midland Securities Ltd., Rene-T. Leclerc Inc., Collier, Norris & Quilan Ltd., Burns Bros. & Denton Ltd., Jas. Richardson & Sons, R. A. Daly Co. Ltd., Matthews & Co., McTaggart, Hannaford, Birks & Gordon Ltd., Savard, Hodgson & Co. Inc., Mead & Co. Ltd., Mactier & Co. Ltd., Fraser, Dingman & Co., J. C. Boulet, Ltd., Geoffrion, Robert & Gelinas Inc., Brawley, Cathers & Co., F. J. Brennan & Co. Ltd., Eastern Securities Co. Ltd., Societe de Placements, Inc., Harrison & Co. Ltd., Fairclough & Co. Ltd., Wills, Bickle & Co., Bartlett, Cayley & Co. Ltd., H. B. Housser & Co., Fry & Co., W. C. Harris & Co. Ltd., F. W. Kerr & Co., A. M. Ramsay & Co., Walwyn, Fisher & Co. Ltd., Anderson & Co., Bankers Bond Corp. Ltd., Tanner & Co. Ltd., Jennings, Petrie & Co. Ltd., Houston, Willoughby & Co. Ltd., McMahon & Burns Ltd., The Western City Co. Ltd. and Pemberton & Son (Vancouver) Ltd.

Consolidated Bakeries of Canada—3¾%, 1st collateral mortgage serial bonds, due May 1, 1954-63, $1,500,000, issued May 18, 1949. Offered at $100 by A. E. Ames & Co. Ltd.

Toronto, Hamilton & Buffalo Railway—2⅝% equipment trust certificates, due June 2, 1952 & Nov. 2, 1952 & May 2, 1959, $2,000,000, issued May 18, 1949. Sold privately by A. E. Ames & Co. Ltd.

Seaboard Power Corporation — 4% first mortgage serial bonds, series A, due May 1, 1952-71, $2,600,000, dated May 1, 1949. Sold privately by Wood, Gundy & Co. Ltd.

PREFERRED

Canada Foils—100,000 class A shares (no par value) cumulative preferential dividend 60c per share per annum plus annual automatic participating dividend when earned. Sold at $10 per share to yield 6% minimum by Fry & Co.

Henry Morgan & Co. — $1,500,000, 4¾% cumulative redeemable, sinking fund preferred shares (par value $100). Offered at $100 per share plus accrued dividends by Greenshields & Co. Inc.

Investment Trust

	Bid	Asked
Affiliated Funds	3.53	3.86
Can. Int. Trust	4.50	5.25
Can. Invest. Fund	4.35	4.80
Can. Invest. Corp.	7.75	8.75
Commonwealth Intl.	3.11	3.42
Corporate Invest.	7.66	8.25
Trans-Canada A	12.60	....
Do. B	....	13.25

Company Meetings

1949	Company	Place
June 3	Macho Riv. G. M.	Toronto
June 4	Bell, Que. M.	Belleterre, P.Q.
June 4	David & Frere	Montreal
June 6	Candn. Vickers	Montreal
June 7	Candn. Cot.	Montreal
June 15	Castle-Treth. M.	Toronto
June 15	McIntyre Porc. M.	Toronto
June 15	Temiskaming	Toronto
June 16	Sylvanite G. M.	Kirkland Lake
June 21	Credit Foncier	Paris, France
June 24	Venture Ltd.	Toronto
June 29	Dom. Text.	Montreal

Market Comment

What stocks and bonds are doing and what prominent observers say

At midweek jittery traders were asking, "Where do we go from here?" as the market staged its biggest break since July of last year. No one, not even the most inveterate professional advice-giver, appeared anxious to supply an answer. When the Dow-Jones industrial average broke through the 171 resistance point on Tuesday distress selling hit the market in mounting volume. Canadian stock groups were even harder hit than those in New York, the Toronto industrials sliding over 4 points. Volume went over the 1 million mark in both Toronto and New York for the first time in over a month.

Although the accumulation of pessimistic business news has finally proved too much for the market to take, there had been comparatively little selling pressure until this week. Recently announced cut in production schedules of several large U. S. steel companies — this industry having long been held up as the main bulwark against early sharp business recession — plus an increasing trend in company dividend casualties in the U. S., were main depressing factors shoving the Dow-Jones industrials over the long-established trading brink.

Although traders could not see anything much in the immediate business prospect to supply greater market impetus on the upside they had been heartened time and again by the fact that volume dried up on market downturns. There is evidence that a good proportion of them had come to believe that the resistance point might hold until there was indication of flattening out in the business downturn.

The technical implications of the market break, after such a prolonged level of trading on a narrow range, would seem to indicate that the 163.12 postwar market low (as measured by the Dow-Jones industrial average) will be tested in the near future. Although stock after stock looks ridiculously cheap at today's prices, the market is currently in the grip of a pessimistic mood that sees only business collapse ahead.

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JOHN H. LEWIS & CO. (New York)

The record shows that none of the bear markets (before this) ended even after business had been declining six months from its peak. In the cases where bear markets lasted longer than nine or 12 months, they did not end until business activity had hit bottom or nearly so.

The length and height of this current business boom appraised against the present level of the Dow-Jones' index of industrial stock prices and its performance in previous bear markets suggest that the end of this bear market is yet to be witnessed.

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FRANK G. LAWSON: Moss, Lawson & Co. (Toronto)

People who buy stocks do so usually for either income or appreciation or both. Naturally, everybody likes to buy at a low price and sell at a high price. Timing is partly a matter of good luck but mostly good judgment. For some weeks, yields available on good stocks are as high as they were in 1932 and 1942 which periods were at the low of bear markets.

The market keeps going down and yields go up a little more, and the increasing pessimism engendered by lower stock and commodity prices, keeps money in the bank. Some people get discouraged when prices are falling and sell their stocks, others need money for various purposes and also sell.

At times like the present, sellers predominate and buyers drop their bids to take advantage of possible lower prices. The same is true of the commodity market. Steel scrap, from a high of $42.75 per ton in 1948, is now selling at $24.00 per ton, a decline of 43.8%.

When the postwar boom was getting started in 1946, the average yield on our compilation of common stocks was 3.61%. For three years the stock market decline has been making allowance for the end of the boom, and the average yield is now 6.95%, which compares with 7.60% in the dark days of 1942. When the turn in the market comes, it will likely be too sudden for many to take advantage of, therefore, buyers should buy stock on their own judgment of values and not too much on stock market hysteria.

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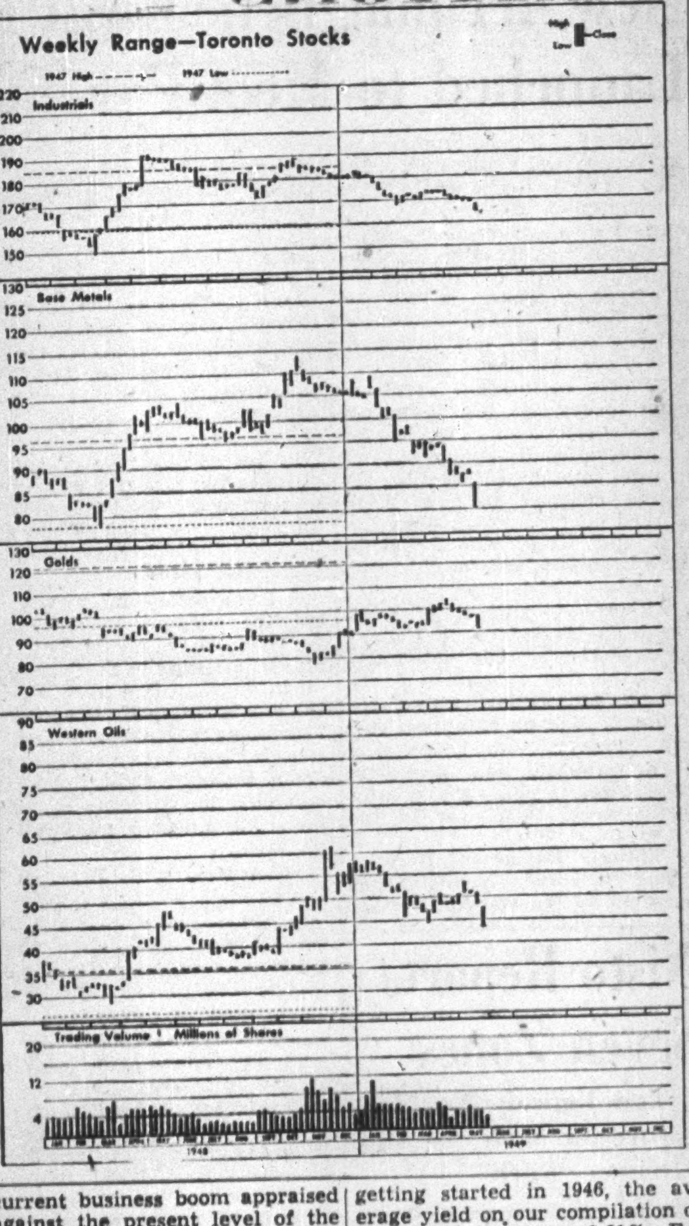
BARRON'S: The Trader (New York)

On every side, individuals, farmers, the stock market, business (borrowings are still falling), rare liquidity prevails. The life blood of a bear market in stocks is the necessity for wholesale liquidation in some part of the economy — a process that, as it spreads, eventually produces disorderliness that finally reacts upon the stock market. Rapid fall in prices in industry reflects voluntary inventorying caution and the correction of imbalances; it is not the involuntary selling of the type that characterized 1919-1921 and 1929-1932.



Dividends Declared

	This payment $	Date payable	Date of record
Abitibi Pwr. & Pap.	.25	July 1	June 1
Do. $1.50 p f.	.37½	July 1	June 1
Do. $2.50 pf.	.62½	July 1	June 1
Acadia-At. Sug. A	.25+1.15	July 2	June 10
Do. pfd.	1.25	June 15	May 20
Alum. Ltd.	.50	June 4	May 9
Aluminium pf.	.25	Sept. 1	Aug. 3
Am. Cyanamid	.37½	July 1	June 3
And. Nat.	†.20	June 15	June 1
		Coup. 38-xc	June 14
Anglo-Nfld. Dev.	1.00	July 8	June 1
Asbestos Corp.	.30	June 30	June 9
Ashdown Hdwre. A	.15	July 1	June 10
Auto Elec. Ser.	.10	June 15	May 21
Do. A	.12½	June 15	May 21
Auto Fab. A	.15	July 2	June 15
Do. B	.10	July 2	June 15
Bk. d'Economie Que.	.25	June 1	May 16
Barber-Ellis	.25+.12½	June 15	May 31
Do. pfd.	1.75	July 15	June 30
Beatty Bros.	.25	July 2	June 15
Beaver Lumber A	.25	July 2	June 10
Do. pfd.	.35	July 2	June 10
Beld.-Cort.	1.50	July 2	May 31
Do. pfd.	1.75	July 2	May 31
Bell Tel.	.50	July 15	June 15
Braz. Tr. Lt. & Pwr. pfd.	1.50	July 2	June 15
B. A. Bank Note	.40	June 15	June 2
T. G. Bright	.25	July 15	June 30
B. A. Oil	.25	July 2	June 7
Do. pfd.	.234375	July 2	June 7
B. C. Elec. 4% pf.	1.00	July 2	unstated
		Coup. 9-xd	June 29
Do. 4½% pf.	1.19	July 2	unstated
		Coup. 3-xd	June 29
B. C. Forest	.15	Aug. 1	
		coup. 4-xc	July 29
B. C. Power A	.40	July 15	June 30
Bruck Mills A	.30	June 15	May 16
Do. B	.07½+.07½	June 15	May 16
Bulolo G.	.50	June 17	May 30
Burlington Steel	.20	July 2	June 10
Burns Co. A & B	.30	July 28	July 7
Do.	.30	Oct. 28	Oct. 7
Burrard D. D. A	.11	June 15	May 28
Butterfly Hose.	.25	June 15	May 15
Do.	.25	Sept. 15	Aug. 15
Do. pfd.	3.50	July 30	June 30
C. Fdry. & Forg. A	.37½	June 15	May 28
Can. Cement pfd.	.32½	June 20	May 20
Can. Crushed St.	.15	June 20	June 1
Can. Flooring A	.25	June 1	May 14
Can. Machine	.25	June 28	June 8
Can. Malting	.50	June 15	May 14
		Coup. 86-xc	-12
Can. Perm. Mtge.	2.00	July 2	June 15
Can. Steamship pf.	1.25	July 2	June 3
Can. W. & Cable A	1.00	June 15	May 31
Do. B	.50	June 15	May 31
Candn. Brew.	.50	July 1	May 31
Candn. Can.	.31¼	July 2	June 10
Do., 1st pfd.	.25+.05	July 2	June 10
Do., 2nd pfd.	.15+.10	July 2	June 10
Candn. Cel.	.35	June 30	June 10
Do., $1.75 pf.	.43¾	June 30	June 10
Do., $1.00 pf.	.25	June 30	June 10
Candn. Cot.	.70	July 2	June 1
Do. pfd.	.30	July 2	June 1
Candn. Dredge	.25	Aug. 2	July 6
Do.	.25	Nov. 2	Oct. 6
Do.	.25	Feb. 2	Jan. 6
Do.	.17½	July 30	June 30
Candn. Fire Ins.	.40	July 2	June 20
Candn. Food	.18¾	July 1	May 31
Do. A	.25	July 1	May 31
Do. pf.	1.12½	July 1	May 31
Candn. For. Inv.	.75	July 1	June 3
Candn. Indemnity	.50	July 2	June 20
Can. Ind. Alc. A & B	.50	June 6	May 5
Do.	.17½	July 15	June 15
Candn. Ice Mach. A	.20	July 1	June 15
Candn. Ind. pf.	1.75	July 15	June 15
Candn. Ing.-Rand	1.00	June 28	June 14
Candn. Mal. G. M.	.02	June 9	May 25
Candn. Motor L.	.15	June 15	May 25
Do.	.15	Sept. 15	Aug. 25
Do.	.15	Dec. 15	Nov. 15
Candn. Silk	.37½	June 30	May 31
Candn. West. Lum.	.10	July 15	June 17
Do.	.10	Oct. 15	Sept. 17
Cap. Wire Cloth pf.	.37	June 1	May 12
Cassidy's	.15+.15	July 2	June 2
Do. pfd.	1.75	July 2	June 2
Chart. Trust	1.25	July 2	June 15
Chateau-Gai W.	.45	June 14	June 4
Coch.-Will. G. M.	.04	June 3	May 16
Cockshutt Plow	.20	June 1	May 1
Do.	.20	Sep. 1	Aug. 1
Confed. Life	1.50+*12.00	June 15	June 10
Coniaurum M.	.03	June 21	June 2
Consol. Litho.	.50	June 30	May 31
Cons. Paper	.50	July 18	June 6
Cooksville A	.15	June 1	May 16
R. L. Crain	.10	July 2	June 15
Crown Cork & Seal	.50	Aug. 15	July 15
Crown Trust	1.25	July 2	June 20
David & Fr. A	.25+.25	June 30	June 16
Dist. Seagram	.25	June 15	May 25
Dom. & A. Inv.	5.00+5.50	June 15	May 31
Dom. Foundries	.35	July 2	June 10
Dome M.	.17½	July 31	June 30
Dom. Square	.50	July 15	June 15
Dom. Stores	.37½	June 15	May 18
Dom. Tar & Chem. Com. & V.T.	.25	Aug. 1	July 2
Do. pfd.	.25	July 2	June 1
Dom. Textile	.15	July 2	June 3
Do. pfd.	1.75	July 15	June 15
East Leduc O.	.01½	July 2	June 15
Easy Washing	.25	July 2	June 15
Eddy-Pap. A	.25	June 15	May 16
Electrolux	†.40	June 17	May 19
Enam. & Heat.	.50	July 30	June 30
Erie Flooring	*.40	June 30	June 15
Esmond Mills pf.	.25	Aug. 1	July 8
Do.	.25	Nov. 1	Oct. 7
Falconbridge N.	.15+.05	June 15	May 17
Famous Players	.25	June 25	June 10
Fanny Farmer	†.37½	June 30	June 15
Fed Fire Ins.	1.00	Aug. 16	Aug. 11
Fibre Pro.	.20	June 22	June 1
Fittings A	.30	July 1	June 6
Fraser Cos.	.50	July 25	June 30
Do. pfd.	1.19	July 1	June 10
Gat. Pwr.	.30	July 1	June 1
Do. 5% pfd.	1.25	July 1	June 1
Do. 5½% pfd.	1.38	July 1	June 1
Gen. Prod's A & B	.50	July 15	June 29
Do. pf.	2.50	July 15	June 29
Gold. Manitou M.	.05	July 2	June 10
Gord.-Mackay A	.12½	June 15	May 13
Do. B	.25	June 15	May 13
Grafton A	.25	June 15	May 25
Do.	.25	Sept. 15	Aug. 25
Do.	.25	Dec. 15	Nov. 25
Gt. Lakes Pap.	.25	June 30	June 10
Do. A	.62½	June 30	June 10
Do. B	.30	June 30	June 10
Gt. West Felt	.30	Oct. 1	Sept. 20
Gt. West Sad. 2 pf.	.75	June 30	June 30
Gypsum, Lime	.25	Sep. 1	Aug. 1
Do.	.25	Dec. 1	Nov. 1
Hahn Brass	.30	July 1	June 8
Do. pfd.	.50	July 1	June 8
Ham. Bridge	.12½	June 30	June 15
Harding Carp.	.20	July 2	June 15
Hendershot Pap.	.25	July 2	June 17
Hinde & Dauch P.	.25	July 2	May 31
Hollinger Cons. M.	.06	June 30	June 2
Home Oil	.25	June 15	May 14
F. W. Horner A	.12½	July 2	June 1
How. Smith Pap.	.50	July 30	June 30
Do. pfd.	.50	July 20	June 30
Hubbard Felt A	.75	July 1	May 31
Hudson Bay M.	1.00	June 13	May 13
Hunts A & B	.10	July 2	June 15
Huron & Erie Mtge.	1¼%	July 1	June 15
Hydro Elect. Sec. pf.	.25	Aug. 1	June 30
Imp. Tobacco	.12½	June 30	May 17
Ind. Accept.	.37½	June 30	June 1
Do. 4¼% pfd.	1.06¼	June 30	June 1
Do. 5% pfd.	1.25	June 30	June 1
Int. Bronze pfd.	.37½	July 15	June 15
Int. Metal A	.40	July 2	June 9
Do. B	.40	July 2	June 9
Do. pf.	1.12½	July 2	June 9
Int. Nickel	†.40	June 20	May 23
Int. Paints 6% pfd.	.60	June 15	June 1
Int. Paper	†1.00	June 29	June 6
Do. pfd.	†1.00	June 29	June 6
Inv. Found. pf.	.75	July 15	June 15
Jam. Pub. Serv. Ltd.	.25	July 2	May 31
Jam. P. Serv. Co. p.	1.75	July 2	May 31
Kelvinator	.50	June 20	June 3
Kerr-Addison G. M.	.15	June 28	May 31
Lake Dufault M.	.07½	June 10	May 31
Lake Shore M.	.18	June 15	May 14
Alf. Lambert Inc. pf	.25	June 1	May 15
J. A. Lang	.25	July 2	June 10
Laur. Accept. pf.	.25	July 31	July 15
Do.	.25	Oct. 30	Oct. 15
Leduc West O.	.04	July 2	June 10
M. Loew's Theat.	1.00	June 30	June 10
Lon. Hose.	.15	July 1	June 15
Do. A	.20	July 1	June 15
Lounsbury A	.12½	June 1	May 14
W. M. Lowney	.25	July 15	June 15
H. R. MacMillan A	.12½	June 30	June 10
Do. B	.12½	June 30	June 10
Maple Leaf Gard's.	.25	July 15	July 2

Dividends Declared (cont.)

	This payment $	Date payable	Date of record
Mar. T. & T.	.20	July 15	June 20
Do. pfd.	.17½	July 15	June 20
Matachewan Cons.	.02	June 14	June 1
Massey-Harris	.25	June 15	May 21
L. McBrine	.50	July 1	June 15
McColl Front.	.25	June 15	May 14
Melchers Dist. pfd.	.30	June 30	May 31
Mersey Pap.	.50	July 2	June 11
Do. pf. 4½%	1.12½	July 2	June 11
Minas Bas.	.40	July 2	June 15
J. S. Mitchell	1.00	July 2	June 16
Robt. Mitchell	.50	June 15	May 15
Do.	.50	Dec. 15	Nov. 15
Mod. Containers A	.25	July 2	June 20
Molson's Brew.	.25	June 24	June 3
Mon. Knit.	.25	July 2	May 31
Do. pf.	1.12½	July 2	May 31
Mtl. Locomotive	.40	July 2	June 2
Mtl. Refrig. & Stor.	.75	June 30	June 14
Moore Corp.	.75	July 2	May 27
Do. 4% pfd.	.25	July 2	May 27
Do. Cl. A & B	†1.75	July 2	May 27
Nat. Biscuit pfd.	†1.75	July 15	June 7
Nat. Brew.	.50	July 2	June 10
Do. pfd.	.44	July 2	June 10
Nat. Hose. A	.15	Oct. 1	Sept. 2
Do. Cl. B	.30	July 1	June 3
Do.	.15	Jan. 1	Dec. 2
Nat. Grocers	.15+.20	July 1	June 15
Do. pf.	.37½	July 1	June 15
Nat. Sew. Pipe A	.60	June 15	May 31
Nat. Steel Car	.37½	July 15	June 15
Noranda M.	1.00	June 15	May 13
Normetal M.	.10	June 30	June 3
North Star Oil pf.	.08¾	July 2	June 4
Nor. Que. Pwr. pfd.	1.25	June 1	May 20
N. S. Lt. & Pwr.	.25	July 2	June 4
Ogilvie Flour	.25	July 2	May 26
Ont. Beauty Sup. pf.	.25	July 2	June 20
Do.	.25	Oct. 2	Sept. 20
Ont. Steel Pro.	.25+.25	Aug. 15	July 15
Do. pfd.	1.75	Aug. 15	July 15
Ottawa Elec. Riwy.	.40 ext.	July 1	June 10
Ottawa L. H. & Pr.	.15	July 1	June 10
Do. pf.	1.25	July 1	June 10
Page-Hersey	.45	July 1	June 15
Paramount Pic.	†.50	June 24	June 3
Pato G. M.	.05	June 8	May 17
Paton Mfg.	.20	June 15	May 31
Do. pfd.	.35	June 15	May 31
Pickle Crow G. M.	.10	June 30	May 31
Powell Riv.	.50+.40	June 15	May 25
		Coup. 18-xc	June 14
Power Corp.	.45	June 30	May 31
Do. 6% 1st pf.	1.50	July 15	June 20
Do. 6% 2nd pf.	.75	July 15	June 20
Pressed Met.	.25	Sept. 1	Aug. 10
Do.	.25	Dec. 1	Nov. 10
Preston E. D. M.	.01½	July 15	June 15
Price Bros. pf.	2.00	July 1	June 6
Proprietary M.	.15	June 28	May 31
Provincial Bk.	.15	June 1	May 14
Que. Manitou M.	.02	July 2	June 10
Regent Knit. pf.	.40	Sept. 1	Aug. 15
Do.	.40	Dec. 1	Nov. 15
Renold Cov. A	.28+.05	July 1	June 15
Rem. Rand	.25	July 1	June 8
Do. pfd.	1.12½	July 1	June 8
Rob. Little	.20	June 30	June 15
Rolland Pap. pfd.	1.06¼	June 15	June 1
Sag. Pwr. pf.	1.06	July 1	June 19
Sarnia Bridge N.	.10	June 15	May 31
Saudi-Arabian M.	†.10	June 30	May 23
Shaw. W. & Pwr. A pfd.	.50	July 2	June 2
Sherwin-Will. pf.	1.75	July 2	June 10
Sick's Brew.	.25	June 30	May 30
Do. V.T.	.25	June 30	May 30
Sigma M.	.25	July 29	June 29
Silknit pfd.	.50	June 15	June 1
Silknit	.15+.40	June 1	June 1
Do. pfd.	.50	June 15	June 1
Silverw'ds Dair. A	.15	July 2	June 6
Do. West. pfd.	1.25	July 2	June 6
Simpsons pfd.	1.12½	June 15	May 16
So. Can. Pwr.	.30	Aug. 15	July 20
Do. pfd.	1.50	Aug. 15	July 20
Spring. Sturg. G.	.03	July 5	June 15
Stan. Brock A	.15	Aug. 1	July 11
Do.	.10	Aug. 1	July 11
Stedman Bros.	.20	July 2	June 15
Sterling Tr.	1.50	July 2	June 15
Super Serv. 4½% pf.	.11¼	June 15	May 23
Do.	.11¼	Sep. 15	Aug. 22
Do.	.11	Dec. 15	Nov. 22
Sylvanite G.	.01½	July 2	Apr. 26
Tamblyn	.25+.05	July 2	June 10
Do. pfd.	.50	July 2	June 10
Thrift Stores	.25	July 2	June 15
Tip Top Tail.	.15	July 2	June 1
Tooke Bros.	.10	July 4	June 15
Tor. Gen. Tr.	1.75	July 2	June 10
Tuckett Tob. pf.	1.75	July 15	June 30
Union Gas	.12½	Aug. 2	July 7
United Corp. B	.25	May 31	Apr. 30
United Fuel Inv. pf.	.75	July 4	June 10
United Steel	.15	June 30	June 15
Upper Can. M.	.02½	June 3	May 6
Viau Ltd.	.25	July 2	June 10
Do. pfd.	1.25	July 2	June 20
Viceroy Mfg.	.15	June 15	June 1
Wabasso Cot.	.25	July 2	June 11
Waite Amulet M.	.40	June 10	May 10
H. Walker-Good.	.50	June 15	May 13
Waterous Ltd.	.20	July 15	June 30
Wellington Fire Ins.	1.75	Aug. 15	Aug. 11
Westeel Pro.	.50+.25	June 15	May 25
Winnipeg Elec.	.70	June 30	May 16
Do. pf. 5%	2.50	June 30	May 16
J. C. Wilson	.15	June 15	May 31
Wilsil Ltd.	.25	July 2	June 1
Wool Comb.	.40	July 11	June 25
Woods Mfg.	.50	June 30	May 31
Wright Har. M.	.03½	July 2	May 27
York Knit. A	.20	June 30	June 15

*$10 bonus inc. stk. from 30-40% paid.
†American funds.
*Initial.

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$21.00	$20.93	$17.90
Hogs	29.72	28.72	28.06
Copper, lb.	.17⅝	.18½	.21½
Sugar, raw, lb.	.0535	.0528	.0485
Coffee, lb.	.27⅛	.27⅛	.26½
Hides	.25	.25	.29½
Weekly Indices			
U. S. Labor	156.5	156.0	164.5
Dow Jones	124.92	125.26	145.17
Fisheries	164.7	164.5	172.2
Monthly Indices			
Retail (Apr.)†	159.3	159.2	151.6
W'sale (Mar.)	157.6	158.1	147.3
U. S. (Jan.)	160.6	162.3	165.7
Gt. Brit. (Feb.)	221.1	221.4	216.7

Note: The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base price of quotations is as follows: Cattle — Steers, good over 1,050 lb., top price, Toronto. Copper-electrolytic, New York. Coffee, No. 4 Santos. Rio Sugar 96 degrees centrifugal c/f New York.

Unlisted Mines, Oils

Approximate quotations, 3 p.m., May 30, subject to confirmation and changes:

	Bid	Ask
Abenakis	3	5
Advance	3	4
Alexander	4½	6
Aljo	1	2
Ama Kir	6	7
Anna'que	2	3
Arctic	10	12
Argonaut	1½	2
Audley	1½	3
Auterra	1	3
Aurora Y	..	9
Baker	1	1½
Barb L N	2	4
Batch R	..	30
Beaulieu	3	4
Beauriv	8	10
Bi Ore	23	26
Blondor	2	3
Bouzan	6½	8
Bour C	2	4
Bradnor	1	3
Braminco	17	..
Br Breest	2	3
Bravo	1½	2½
Bright R L	2	3
B McDade	8	10
Bulldog	29	32
Burley Po	1	2½
Camlaren	3½	4½
Camray	56	59
Captain	4	6
Carricona	1	1
Cassidy	2	3
Cent M	6	7
Cock R L	2	4
Columbier	1	2
Con Chib	17	19
Con Cop	7	8
Courageo	1½	3
Craibbe	5	7
Croydon	2	4
Cuyuni N	30	40
Delhi	..	12
Derlac	1½	2½
De Sant	2	4
Dom Mal	1	1½
Dona Pat	1	2
Durham	9	12
Doris	1½	2½
Echo Ind	2	3
Elmac	2½	4
Erin Kirk	1½	2½
Flicka	1	2
Forty Four	94	100
Gan Cop	3	5
Geneva L	6	8
Gilbec	1	2
Goldpac	10	15
Goodrock	1	2
Gord Lebel	1½	3
Gov Gold	3½	5
Grnd Chib	15	20
Greenlee	3½	4½
Grndhog	5	10
Halden	3	5
Habitant	2	3
Harp Mal	2	3
Hornfault	7	9
Hayes Cd	½	2
Hugh Pam	8	10
Independ	5½	7
Islepines	20	25
Joannes D	1½	3
Kamlac	15	18
Ken Bay	5	7
Kenda Pe	5	7
Kenroy	½	1½
Kingdon	..	23
L Expanse	6	7
Lar-Add	1½	3
La Salle	9½	10
Lavalie	2¾	3½
Legardo	½	1½
Lennie	1½	3
Le Pine	3	5
Louvore	½	1½
Mallen R L	2½	4
Marbenor	8	10
Marquette	½	1½
Mar Bird	3½	4½
Mary Ann	2	4
Mat Con	27	32
Metalore	3	5
Mate Yel	3	5
Miles R L	4	5
Mindus	15	18
do vt	10	14
Mink	3½	4½
Mistassini	3	5
Moffat H	½	1½
Mohawk P	1	2
Murbell	1	2
Murmac	13½	15
McManus	4	6
McCuaig	4	5
Nat Mal	11	13
Nayb '45	2	4
Newcore	9	11
New Aug	15	18
New Mal	2	3
Nickel L	4	6
Nisto	44	47
N Offsets	200	250
Norbeau	57	62
Norbec	..	18
Norcourt	4	5
Norford	1½	2
Normar	3	4
Nortyne	1	3
Nevele P	2½	3½
Obalski old	2	4
do '45	8	10
Obaska	8	10
Oklend	2½	3½
Olivet	1½	2½
Opemiska	9	10
Ortona	4½	5½
Pascalis	13	16
Pelangio	3	4
Payne	4½	6
Phelps	1½	2½
Pinnacle	1	2
Poona Go	½	1½
Presdor	2	3
Privateer	14	16
Pro Divers	50	55
Quejo	4½	5½
Quest	2½	4
Rand Mal	9	12
Rajah R L	1	3
Raymond	1½	2½
Randona	2½	4
Redruth	1	3
Redwood	6	7
Richgroup	7	8
Russet	3½	5
Rebair	12	15
Rhyolite	2	3
Salmita	3	4
Santiago	8	9
Sepha	1	2
Sheldon	14	16
S Dufault	3	5
Silv Arro	3	4
Sovereign	5	8
Skynner	1	2
Starlight	3	4
Sun Bear	4	6
Thornhill	1	2
Tiffany	1½	2½
Tobico	1½	3
Tovarich	1½	2½
Viking	14	18
Val d'Bel	1	2
Vinray	2½	3½
Walcoro	..	5
Wesley	½	1½
West R L	1½	2½
Wilwood	1	2
Y Davids	17	19
Yel'knife	140	165
do vt	135	175
Zolota	9	12
OILS		
Franco	51	56
Granleduc	21	26
Home Oil	9½	9¾
Jupiter	13	16
Lingnora	7½	8
Major Oil	3	4
Nw Ranch	2	4
Pac Oil Ref	4	5
Princess	23	26
Universal	2	3
Vermilion	35	38
Westlock	10	12

Bond Redemptions

Bond Issues:	Rate	Year	Call	Price
▲Dom. Coal 1st mtge. ser. A	4½%	1952	Jun. 1	101
■Dom. Coal, 1939 ser.	4½%	1952	Jun. 1	101
‡Sao Paulo Tram. 5%		1962	July 1	100

†All outstanding. ‡£72,060. ▲$350,500. ■$115,500.

New Highs and Lows

GENERAL

New Highs—1949

Belding-Cort. pfd.
Candn. Cottons
Chartered Trust
Indust. Acceptance
Nfld. Lt. & Pwr.
Standard Paving

New Lows—1949

Abitibi Pwr.
Algoma Steel
Aluminium
Bathurst Pwr. A
Beatty Bros.
Brantford Roofing
Brazilian Traction
B. C. Pulp & Paper
Brown & Co.
Do. pfd.
Can. Packers A
Candn. Car
Do. A
Candn. Collieries
Candn. Dredge
Candn. Fairb'ks pf.
Can. Ice Machine A
Can. Ind. Alco. A
Do. B
Can. Ing. Rand
Candn. Oil 5% pfd.
Candn. Pac. Rlwy.
Candn. Silk
Candn. W. Lumber
Can. Westingh'se
Cardy Corp.
Cockshutt Plow
Comm. Alcohol
Do. pfd.
Cons. Paper
Cons. Smelters
Craig Bit
Dom. Coal
Donnacona Paper
Donnell & Mudge
Dryden Paper
Eddy Paper
Fraser Cos.
Goodyear Tires
Gt. Lakes Pap.
Int. Nickel
Int. Paper
Int. Petroleum
Invest. Found. pf.
Lake of Woods pfd.
Lowneys
Maclaren Power
Mailman Corp.
Massey-Harris pfd.
McColl-Frontenac
M. & O. Paper
Nat. Steel Car
Wm. Neilson 5% pf.
Pressed Metals
Purity Flour pfd.
Robinson Little
Russell Industries
St. Law. Corp.
Do. 1st pfd.
Do. 2nd pfd.
St. Law. Pap. 1st pf
Do. 2nd pfd.
Scythes & Co.
Simon & Sons A
Simpsons A
Do. B
Do. pfd.
Steel Co. pfd.
Toronto Iron A
Traders Fin. A
United Fuel pfd. A
Geo. Weston pfd.

MINING

New Highs—1949

Prospectors
Quesabe

New Lows—1949

Am. Larder
Amer. Y'ke
Aquarius
Area
Athona '37
Aubelle
Aumaque
Bagamac
Band Ore
Bankfield
Barymin
Bidgood
Bordulac
Buffadison
Buff. Can.
Callinan
Can. Mal.
Cent. Pat.
Citralam
Cons. Ast'a
Conwest
Crestaurum
Dickenson
Discovery
Donalda
Duvay
East Amph.
East Sull.
Falconbridge
Gold. Man.
Goldora
Gwillim L.
Hollinger
Hudson Bay
Island Mtn.
Jack Waite
Joliet Que.
Kelore
Kirk. Lake
Kootenay B.
Labrador
L. Dufault
L. Lingman
Little L. L.
MacDonald
MacLeod
McWatters
Mining Corp.
N. Alger
N. Calumet
N. Marion
Newnorth
N. Norzone
Normetal
Norpick
O'Brien
Ogama
Orlac
Osulake
Pen-Rey
Pitt G.
Privateer
Quatsino
Que. Lab.
Queenston
Quemont
Reeves McD.
Regcourt
Rupununi
Ryanor
Sheep Cr.
Sherritt G.
Standard G.
Steeloy
Sullivan
Taylor B.
Temiskaming
Tombill
United Asb.
United Keno
Van'da '48
Ventures
Villbona
Waite-Am.
Wekusko
Wiltsey C.
Winchester
Wright-Har.

OILS

New Lows—1949

Anaconda
Anglo-Can.
Apex
Br. Dom.
Calmont
Cent. Leduc
Cons. H'stead
Davies
Decalta
East Leduc
Federated P.
Freehold
Globe
Hargal
Leduc Cons.
Leduc West
Mid-Cont.
N. Pacalta
North. Cont.
Oil Sel.
Pan West
Princess
Roxana
Spooner
Superior

Supplementary Bond Quotations

Furnished by Investment Dealers' Association

Month-end Closing Prices

May 31, 1949

	Bid	Asked
Acadia Apartments 4%, 1959	97	—
Adelaide Peter 4%, 1967 & com.	79½	—
Adelaide Sheppard 5-7%, 1948	72	—
Alexan. Bldg. 6%, 1962 & com.	77	—
Ancroft Place 4%, 1956 & com.	83½	—
Balfour Bldg. 3-6%, 1943	85½	—
Bay Adelaide 4½%, '68 & com.	79½	—
Bay Cumber. 3½%, '58 & com.	75	—
Bay St. Albans 4%, 1953	86	—
Bloor St. George 4%, 1967 & com.	92½	—
Clarendon Apts. 7%, 1946	67½	—
Clarendon Properties 7%, 1947	66	—
Deer Park Manor 4%, 1959 & com.	90	—
Dominion Square 4%, 1959	101½	—
Ellis Park 4½%, 1960 & com.	91½	—
400 Avenue Rd. 4½%, '57 & pfd	91½	—
Gleneagles Inv. 5%, '59 & com.	111	—
Lomb'd R'lty 2½%, '51 & com.	60	—
Lord Nelson Hotel 4%, 1947	80	—
Metropolitan Bldg. 4½%, 1952	102	—
Montreal Apts. 1st 4½%, 1964	96	—
Do. 2nd 4½%, 1954	91	—
Municipal Bankers 4-5%, 1948	25	—
Oshawa Bldg. 4%, 1953 & pfd.	83½	—
Ramsden Park Apts. 5%, '61 & com.	68	—
St. Clair 200 W. 4½%, 1958 & pfd.	91½	—
Sherbrooke St. Realty 4%, 1952	97½	—
Stanley Realty 3%, 1962	32	—
York Adelaide 7%, 1945	50	—

A BIT TOO MUCH

It is hardly possible to gain from one or two ideal securities—SAFETY, INCOME & PROFITS; this is a bit too much to expect. Safety, income and profits can best be obtained by careful selection and diversification. We have prepared a selected list of securities which could place some good investment opportunities before you; copy gladly sent on request.

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Telephone LAncaster 5101

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J. E. GRASETT & CO.
Members The Toronto Stock Exchange
244 BAY STREET, TORONTO WA. 4781
BRANCH
3030 DUNDAS ST. W. (opposite High Park Ave.) JU. 1167

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INVESTMENT DEALERS ASSOCIATION OF CANADA
H. L. TRAPP, Member
STOCKS, BONDS & MINING SECURITIES
Correspondence Solicited
68 King St. West - - - Toronto 1
Telephone: ADelaide 6001

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15 Wellington St. W., Toronto, Canada
MANAGEMENT CONSULTANTS

VICKERS LIMITED

A YEAR OF CONSOLIDATION

LIEUT.-GENERAL SIR RONALD WEEKS' SPEECH

The Eighty-second Annual General Meeting of Vickers Limited was held in London, England, on May 24th. Lieut.-General Sir Ronald Weeks, K.C.B., the Chairman, in the course of his speech said:—

In choosing a subject for opening my speech today I am sure that no one will disagree with me in deciding that my first words should relate to the late Chairman of the Board, Sir Archibald Jamieson, who retired on March 31st.

His career with the Company started in 1928 and he occupied the Chair from 1937 to 1949.

During the War many high Executives of Vickers were called upon to assist the Government, and Sir Archibald shouldered both his own and other people's tasks in that strenuous period. The Balance Sheets for 1948 are a significant tribute to his sagacity.

Last year the Chairman called 1947 a year of progress; I would call 1948 a year of consolidation.

I would like to say at the very outset that our success is due to the skill and energy of our Management, Staff and Workpeople to whom I desire to express the thanks of the Board and the Stockholders.

Consolidation presupposes that we are preparing to meet a counter-attack, the obvious one being the onset of a buyer's market. In this respect I hope, though one can never be sure, that we have made good provision.

Financially we are strong and liquid; our reserves are good; in research and development we continue to pursue a most active policy; we have completed many and will shortly complete further important schemes of capital expenditure which should lead to both reductions in cost and higher productivity; we have extended and strengthened our overseas connections; we have confidence in the technical ability of our staff and we have many loyal customers; our collaboration with the Services and their needs is very close.

Our second largest subsidiary is our Steel Company, English Steel Corporation, with the sub-subsidiaries Taylor Brothers and Darlington Forge, and the 50 per cent owned associate Company, Firth-Vickers Stainless Steels.

This great undertaking is threatened with nationalisation, a threat which, if it becomes a fact, will be a severe blow to the general conduct of the whole Group.

The problem of nationalisation is essentially a political issue, and the more important aspect as to whether, in the case of steel it will be beneficial to the country as a whole, has been obscured.

English Steel Corporation, one of the major alloy steel manufacturers, is essentially an engineering works, the bulk of its sales being in the form of specialised engineering products which are not scheduled in the new Bill. The manufacture of the ingots itself is a specialised stage, from the point of view of chemistry and design, in the final manufacture of such things as boiler drums, rotors, crankshafts, shafting, etc.

The nationalisation of the whole or major parts of the Corporation and its subsidiaries may lead to disjointed conditions in certain sections of the alloy steel trade and the possibility of unemployment amongst the present workpeople, arising from loss of business—both home and export—which has been so effectively gathered together since the end of the War.

I would argue most strongly that it is to the benefit of Stockholders and employees that none of the constituent members of Vickers should be torn away by the operation of nationalisation, and your Board have taken, and are continuing to take all reasonable and legal measures to protect Stockholders' interests.

There can be no doubt that private enterprise and the application of it has been the major factor in bringing this country to its present partial state of recovery.

Directorate.

I have to report the retirement from the Board of Major-General Sir John Davidson, K.C.M.G., and The Lord Hailey, G.C.S.I., after 14 and 10 years' service respectively; on your behalf I should like to record our appreciation of their help and guidance.

Finance and Accounts.

We have continued the general principle of transferring to the Holding Company those reserves and provisions which had accumulated in the operating Companies and were no longer required for the specific purpose for which they were created.

It is a coincidence that, at the date of closing the year's accounts, we had sold our large holdings in Government Securities to advantage, and therefore the Balance Sheet discloses a very high figure for cash; since that date we have re-invested large sums in Government Securities.

The results for the year are good; it would be right and proper to pay a larger final dividend, but in the light of the national appeal for limitation of dividends we have recommended the same distribution for 1948 as for 1947.

I have, however, one item of importance to report which should eventually be of benefit to Stockholders.

At the last two General Meetings of the Company the Chairman referred to the desire of the Board to restore the Ordinary Share Capital to its original nominal value and he stated that your Board would, in the event of the bonus tax being removed give consideration to taking the necessary steps to achieve this. As Stockholders are aware the Chancellor of the Exchequer in his Budget Speech announced his intention of repealing this duty.

I should make it clear that while technically the proposals may be classed as a Bonus Issue, in effect all that is being done by means of capitalisation of reserves is to restore to the Ordinary Stockholders the original nominal value of their investment and in some measure to bring the issued capital of the Company into truer relationship with the capital now employed in the business.

Your Board has therefore considered the matter and I am glad to be able to inform you that the Capital Issues Committee has given its consent to the proposal to restore the nominal value of the Ordinary Stock Units to £1, and an Extraordinary General Meeting will be held on the 8th June for the purpose of passing the necessary Resolutions giving effect to the capitalisation of profits and bonus issue of shares.

I think it right to warn the Ordinary Stockholders that the writing up of their holdings will not carry any implication whatever as to the rate of dividend to be paid on the larger capital.

Pensions.

It will be recalled that in his Speech last year the Chairman mentioned that the whole question of staff pensions was under active consideration and that he hoped that final conclusions would be reached in 1948. This hope has been realised and a satisfactory scheme has been evolved.

REVIEW OF SUBSIDIARY AND ASSOCIATED COMPANIES

VICKERS-ARMSTRONGS LIMITED

Two major items of capital expenditure, the extensive reorganisation of the shipbuilding department at Barrow and the rebuilding of the brass department at Elswick, will be completed in the Autumn and Summer of this year respectively.

During 1948 six new passenger vessels and two re-conditioned vessels were delivered from our shipyards, six vessels were launched and orders were received for two cargo liners, a passenger and cargo liner and three large tankers.

In accordance with instructions received from the Admiralty, we are about to recommence work on the aircraft carrier "Hermes" and also the modification and completion of the aircraft carrier "Majestic."

General Engineering — Barrow Works.

We have a substantial programme including a number of winders for South Africa, low lift pumps, cement making machinery, soap making machinery and condensing and feed heating plants.

Elswick and Scotswood Works.

The volume of orders for commercial work has been well maintained and substantial orders have been received for printing machines, clearing presses and general engineering work.

An interesting contract was undertaken early in the year for the conversion of Sherman tanks to heavy tractors for the Grund Nut Scheme.

Southern Works.

At both Crayford and Dartford we have delivered a substantial quantity of machines ordered by our Subsidiary—Powers-Samas Accounting Machines, Ltd.

The production of Keenok paint mixing machinery has increased and we have added to our range of box making machinery additional types which have proved satisfactory after protracted trials.

Aircraft Section, Weybridge Works.

Weybridge are now fully employed producing the "Valetta" for Transport Command.

In July of last year we flew the prototype of the "Viscount," which was originally designed for the British European Airways. This aircraft has proved an outstanding success. Senior executives and pilots of many important air lines have already flown in this prototype and, without exception, have been highly enthusiastic.

Supermarine Works.

We have received a contract for a number of "Attackers" for the British Services and we expect to make initial deliveries at the end of the current year.

In December a new single-seater experimental machine, powered by a single Rolls-Royce Nene engine, successfully carried out its first flight.

PALMERS HEBBURN CO. LIMITED

The Ship-repairing Department, as a result of recent modernisation and extensions of buildings and plant, handled successfully the highest turnover for many years.

The Company's Dry Docks at Hebburn and Jarrow were occupied continuously throughout the year and, with current orders and prospects, it is anticipated that the Docks will be fully occupied this year.

ENGLISH STEEL CORPORATION LTD.

The results of this Company and its subsidiaries are a record for any year other than a War year, and can be attributed not only to the skill and efficiency of the Management and the Workpeople, but also the high state of efficiency in which the plant has been maintained.

Since its incorporation 20 years ago, capital expenditure of £11 millions has been incurred, and there are schemes in progress involving over £3 millions, of which in particular I should mention a plan for improving Tyre and Wheel production at Taylor Brothers costing over £1 million. In addition expenditure which is being undertaken jointly by Firth-Vickers and Samuel Fox & Co. on a new stainless steel scheme involves a sum of over £2 millions for which the Corporation will contribute its share.

The sales turnover of the Group increased to over £17 millions, and exports have had a significant rise, which we hope to maintain.

Research and development work continues to be actively pursued throughout the Steel Group; many improved Steels are being evolved and new methods of production are gradually being put into operation.

IOCO LIMITED

This Company experienced another successful year and maintained the higher level of turnover achieved in 1947. Most of its products continued to be in good demand.

ROBERT BOBY LIMITED

Bobys have had a highly energetic year, caused not only by their efforts to satisfy the trades they supply and also their endeavours to maintain delivery programmes, but also by vigorous efforts to produce new and improved plant and advanced ideas for their various customers.

These efforts have been rewarded by a satisfactory year, and by a steady and increasing volume of orders.

G. J. WORSSAM & SON LTD.

1948 has been a year of considerable re-organisation and adjustment and, although this work is not yet fully completed, the efforts to date have resulted in a very substantially increased turnover.

COOKE, TROUGHTON & SIMMS LTD.

This Company continues to experience a satisfactory demand for its mathematical and optical instruments from both Home and Overseas markets, and the orders in hand justify full production in the factory at the present time.

The value of instruments ordered for export during 1948 amounted to approximately 70 per cent of the whole.

METROPOLITAN-CAMMELL CARRIAGE & WAGON COMPANY LIMITED

Metropolitan-Cammell Carriage & Wagon Co. Ltd. had another satisfactory year during which improved supplies of steel and other materials enabled greater output of both carriages and wagons to be attained than in the two preceding post-war years.

The major part of the Company's deliveries were for export, including motor coaches for electrified services and large numbers of wagons for Commonwealth and other overseas countries. Regular weekly output of coal wagons and coaches for this country was also maintained.

A new design of integral bus has been developed by the Company in conjunction with Leyland Motors Limited, and vehicles of this type are now coming into production.

GEORGE MANN & CO. LTD.

The Sales during 1948 were the largest in the Company's history. A substantial part was exported, representing approximately 16 per cent of the total exports of the Printing and Bookbinding Machinery Industry of this country.

POWERS-SAMAS ACCOUNTING MACHINES LIMITED

We acquired a shareholding in this Company in 1945 which was considerably increased in 1947. A further opportunity of increasing our interest arose in 1948, with the result that we now own 59 per cent. of the share capital, the Company thus becoming a Subsidiary and its Accounts are included for the first time in the Consolidated Accounts.

AUSTRALIAN INTERESTS

The trading results of the Company for the period to 31st December, 1948, have been most satisfactory.

COCKATOO DOCKS & ENGINEERING CO. PTY. LIMITED

This undertaking continues to be well occupied and satisfactory progress is being made with the Destroyers which are on order for the Australian Government. We have been engaged in the reconversion of certain Merchant Ships which are to be restored to their pre-war condition for use with the Merchant Service and this provides valuable work for the Company.

The Dry Docks have been well occupied and the prospects for the future look reasonably good.

VICKERS RUWOLT PTY. LIMITED

The acquisiton of the major part of the Share Capital of Charles Ruwolt Pty. Ltd. was reported last year, and the Company has now been renamed Vickers Ruwolt Proprietary Limited.

The Organisation has had a successful year. There is a large demand for Ruwolt products and the quality of their goods has a high reputation throughout Australian Industries.

PROSPECTS

1949 has started well and, although in one or two sections there are signs of a falling off in orders, the order book as a whole remains remarkably steady and healthy.

It is a characteristic of some parts of our business, e.g., shipbuilding and aircraft manufacture, that we must plan two to three years ahead. Whereas last year it looked as though we might have gaps in our future aircraft manufacture, the trend this year points to gaps in shipbuilding.

I have already referred to nationalisation of steel, and other Sections of the Group may in due course be scheduled. Political acquisitions of this nature cannot possibly make me feel confident of the results this Company will achieve in the more distant future; nor can anyone visualize how such a policy will affect Stockholders' interests.

For 1949, unless some unforeseen event takes place, which might well happen, we are quietly confident of holding our own.

The Report and Accounts were adopted.

New Aeromagnetic Firm, New Instrument Launched to Meet Pyramiding Demand

Because of a mounting demand for geophysical exploration using the airborne magnetometer, Photographic Survey Co. has formed a new subsidiary, Aeromagnetic Surveys Ltd., for the express purpose of carrying out this type of work. It will use new airborne magnometer developed over the last year at a cost of over $100,000.

A first commercial aeromagnetic survey has just been successfully completed in Quebec for an internationally-known but unnamed mining corporation. A second contract is now being worked on for another organization and world-wide enquiries have been received for this type of work, officials report.

Airborne magnetometer work has been carried on in Canada for several years but wide interest in this type of work at a time when prospecting, save for uranium, is at an extremely low ebb, suggests that geophysical work, combined with geological knowledge, is playing a greater relative role than ever in the search for minerals wealth.

Entirely Engineered Here

The airborne magnetometer operated by the new exploration company has been entirely engineered and built in the technical laboratories of Photographic Survey Corp., with the co-operation of the Geotechnical Corp. of Dallas, Texas.

Aeromagnetic Surveys has followed the lead of the Dominion Government in mounting the magnetometer rigidly in the tail of a Canso amphibian. The Canso is sufficiently large that the magnetometer can be isolated from the magnetic field of the aircraft. The use of this type of aircraft obviates the need for towing the magnetometer on the end of a long cable, providing greater convenience and safety, avoiding loss of detector heads.

Aeromagnetic Surveys will not only be assisting in the search for metallic minerals but will also be assisting in the search for oil in the Canadian west. Due to the greater magnetic attraction of "basement rocks" where they approach closer to the surface in a domal structure (which may contain oil), the airborne magnetometer has a definite use in oil exploration.

Can Help with Uranium

While it is doubtful if much, if any, airborne magnetometer work has yet been done in the search for uranium, it is possible that it may have a considerable value, used in conjunction with an airborne Geiger counter.

In the Alona Bay uranium area, uranium has almost invariably been associated with diabase dykes. Uranium is also known to be associated with these dykes elsewhere. Such dykes are usually one of the most outstanding features of the graphs provided from results of airborne magnetometer surveys.

The airborne magnetometer provides much faster and cheaper surveys of large areas than ground magnetometer surveys. There is no need to cut ground lines and accessibility is not particularly important. While ground magnetic surveys can provide greater detail than air surveys, it is believed that the air surveys often provide much more exact results. It is pointed out that the air survey ignores immediate surface bodies which may be highly magnetic and gives a clearer picture. A great deal of detail is also not always considered desirable.

Where greater detail is desired, Aeromagnetic Surveys plans to use a heliocopter. Photographic Surveys has already one available for this work. The new firm will continue to have access to the research department of Photographic Survey which is at present working on navigational instruments for the RCAF, and is putting the finishing touches on an airborne radar altimeter for use in contouring.

The new subsidiary of Photographic Survey Corp. is headed by J. R. Hughes, treasurer of Royal Securities Corp. Directors include Dr. R. F. Beers, prominent geophysicist and president of Geotechnical Corp., Dallas, Texas; W. B. Heroy, former chief geologist with Sinclair Oil Co.; H. S. Mackenzie, Toronto lawyer, and D. N. Kendall, managing director of Photographic Survey Corp. J. M. Bridgman, manager of the technical division of Photographic Survey will be managing director.

Nisto Reports Seven Zones

Two Entirely New Discoveries Made — One Shows "Pitch"

Seven zones and an additional series of cross fractures showing either pitchblende or high Geiger reactions have been established on the concession of Nisto Mines in the Black Lake section of Northern Saskatchewan since the crew was placed on the property early in May. The crew is to be augmented immediately after the breakup.

Zone No. 1 has now been stripped and trenched for 500 ft., with the southwest end still open. Visible and massive pitchblende occurs in narrow seams in the gneiss and along the contacts of numerous intrusive dykes. Widths vary from thin films up to massive pitchblende over a width of half an inch, the company reports.

Zone No. 2 has been established in two pits 240 ft. apart. Trenching is being started on zone No. 3 indicated by the Geiger for over 200 ft.

Others Show Pitchblende

Zones Nos. 4 and 5 both show pitchblende (lengths are 230 and 100 ft.) while No. 6 and 7, located by the Geiger counter, are yet to be trenched.

In addition to the series of zones established, a system of cross fractures has been uncovered, showing massive pitchblende in narrow seams.

Two entirely new surface occurrences have been discovered by prospecting crews. One of these shows massive pitchblende and both will be explored as quickly as the available working force permits.

Diamond drill hole No. 1 gave Geiger reactions at 25 and 105 ft. but showed no visible pitchblende. No results have yet been reported for hole No. 2. One good intersection is reported in hole No. 3 but no details are yet available.

Air transportation is expected to be resumed about June 3.

Sladen's Barnat Opening Good Ore on the National

Exploration of the former National Malartic section of the property of Barnat Mines, controlled by Sladen Malartic Mines, has been giving encouraging results with one drill hole at the 1,250-ft. horizon, returning 1.43 oz. over a width of 12.5 ft.

After a crosscut from the Sladen 1,250-ft level had been extended some 2,000 ft. north and through the north shear without returning important values, a drift was carried 580 ft. to the east and six flat holes were put out to cut the zone at 100-ft. intervals.

At 200 ft. east of the shaft crosscut, a hole to the south gave 0.30 oz. over 4.8 ft. A number of commercial intersections were secured in a hole drilled to the south at a location 100 ft. to the east. Values included 0.40 oz. over 1.4 ft., 0.40 oz. over 4.0 ft., 0.88 oz. over 4 ft., and 0.63 oz. over 19 ft.

A hole 100 ft. to the east of this again returned intersections of 0.34 oz. over 2.0 ft., 0.52 oz. over 1.7 ft., and 1.43 oz. over 12.5 ft.

Best intersections in a hole a further 100 ft. to the east were 0.26 oz. over 4.0 ft., 0.65 oz. over 0.5 ft. and 0.22 oz. over 1.5 ft. while a hole a further 70 ft. to the east and angled south and east gave 0.74 oz. over 1.2 ft., 0.22 oz. over 7.8 ft. Another hole from the same location but angled further to the east gave 0.16 oz. over 3.2 ft., 0.22 oz. over 5 ft., and two sections running 0.40 oz. over narrow widths.

After completion of another hole now drilling at this location, continuity of the ore between 725 and 1,250 ft. is to be tested. A drive is also expected to enter this ore at the 1,250-ft. level within the next three weeks.

On the 725-ft. level, north of the east drift in the old national workings, a length of 150 ft. has been indicated by drilling averaging 0.24 oz. over 20 ft., open to the east. Drifting to the east to get into this zone has entered a second diorite body averaging 0.20 oz. over drift width in the 90 ft. so far drifted.

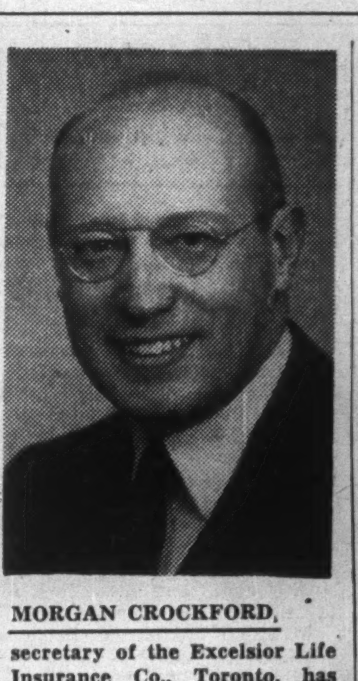
---

400 at Toronto See No Man is an Island

About 400 leading Toronto businessmen turned out for a private showing of the dramatic Consolidated Mining & Smelting Co. picture, "No Man is an Island," on Wednesday, this week.

The theme of the picture dates back 400 years when John Donne said: "No man is an island entire of himself, but a part of the main."

Collective personalities of thousands of men are shown by the picture to have contributed to make "Cominco" a "personality." The growth of the city of Trail is vividly told, and various functions of the great Smelters operation are gone into in intimate detail. The colour film was produced by Associated Screen Studios. In a sense it is 13 films in one, because it required the filming of 13 plants for its completion.



MORGAN CROCKFORD,

secretary of the Excelsior Life Insurance Co., Toronto, has been elected chairman of the advertisers' section of the Canadian Life Insurance Officers Association.

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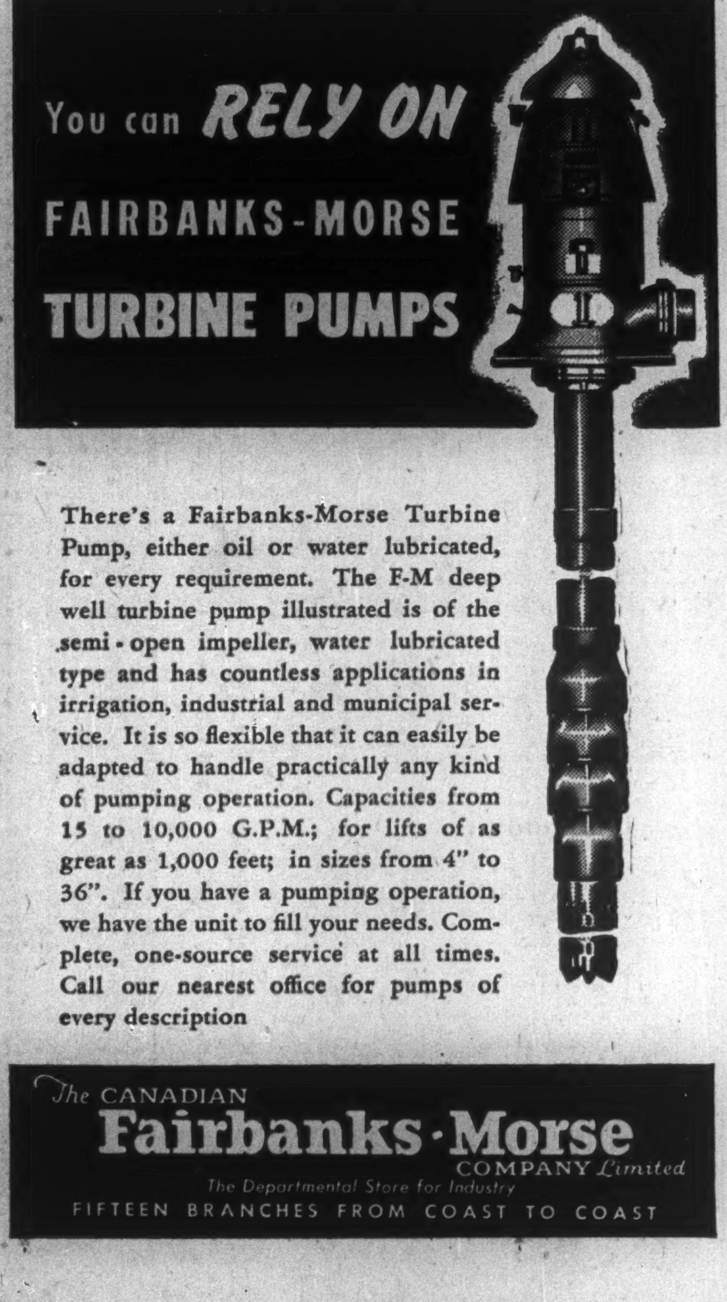

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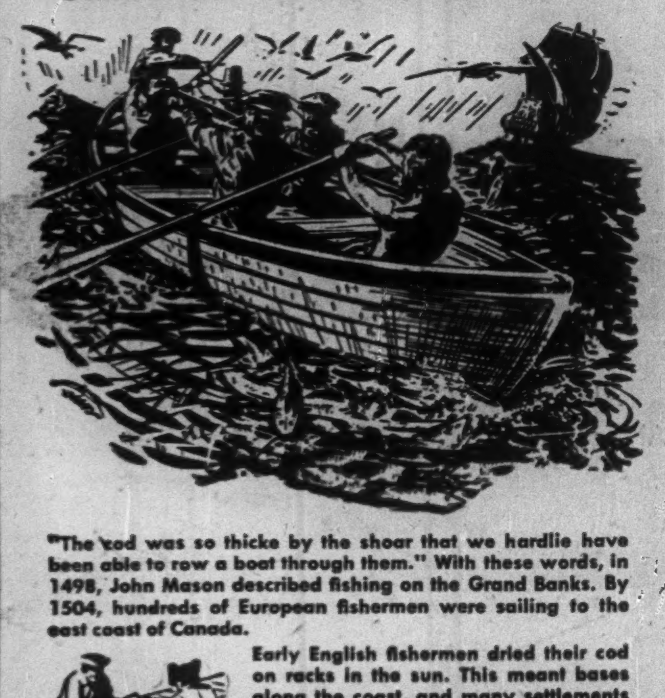

"The cod was so thicke by the shoar that we hardlie have been able to row a boat through them." With these words, in 1498, John Mason described fishing on the Grand Banks. By 1504, hundreds of European fishermen were sailing to the east coast of Canada.

Early English fishermen dried their cod on racks in the sun. This meant bases along the coast, and many settlements were founded. French, Basque, Portuguese and Spanish fishermen followed.

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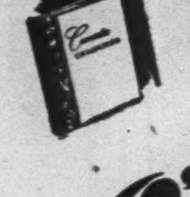

*Just how much room is told in "Canada Unlimited", an illustrated 144-page book published by the O'Keefe Foundation. You may obtain your copy by sending 25c in cash (no stamps or cheques, please) to "Canada Unlimited", Dept. N3-10, O'Keefe House, Toronto, Ontario. Please print your name and address clearly. All monies received will be donated to the Canadian Citizenship Council.**

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F3-224

Canadian Base Metals Still Profitable Unlike Many Producers in The States

BY GORDON M. GRANT

How is your favorite base metal mine doing these days?

Is it still operating in the black despite drops of 25.0%, 44.2%, and 37.1% in prices of copper, lead and zinc from 1948 highs?

Or is the situation getting as tough as in the United States, where 17⅝ cents a lb. for copper is well below the break-even point for almost every producer except Phelps-Dodge and Kennecott's Utah Copper?

A survey of the Canadian base metal mining scene indicates that while profits have been sharply reduced by current prices of 17⅝ cents a lb. for copper, 11¾ cents a lb. for lead, and 11 cents a lb. for zinc, probably not an important Canadian-owned producer in the Dominion has yet been forced into the red. By a calculation of costs based on 1948 results*, the Canadian base metal mining industry is still enjoying a real measure of prosperity unlike its counterpart in the United States.

How "Smelters" Faring

Lead and zinc have experienced the greatest reductions on a percentage basis, so let's take a look at Consolidated Mining & Smelting Co., Canada's leading producer of these two metals.

It is calculated that the cost per pound of producing lead at Trail last year was in the neighborhood of 7.8 cents a lb. (before taxes) while cost of turning out zinc was 6.0 cents a lb. on the same basis. Obviously the company should still be making a handsome profit. It looks as if the company is still currently earning after all charges, in excess of 50% of last year's record profit of $16.70 a share as prices of other Smelter products haven't gone down the way lead and zinc have.

This deduction is based on a number of assumptions including (a) no important reduction in the level of output this year; (b) no significant increase in general level of costs over 1948; (c) no sale of metals below current prices.

Actually a profit of over $10 a share may be reported for 1949, if present metal prices hold, as extremely high prices for metals prevailed in early months of this year.

Hudson Bay Low Cost

A large producer of copper and zinc, such as Hudson Bay Mining & Smelting Co., may do relatively better than a lead-zinc producer, such as Smelters, because reduction in the price of copper has been much less than the reduction in lead.

Last year Hudson Bay earned $5.60 a share. Its cost per pound of producing copper, before taxes, appears to have been about 11.0 cents for copper, 6.8 cents a lb. for zinc. Taxes are predominantly of the profit variety; overall costs would thus be little more than the figures above if metal prices should drop to these levels which does not appear at all likely at the moment.

With present prices and physical production showing little change in the current year, it looks as if Hudson Bay profits, taking taxes into consideration, are running better than 50% of 1948's profit of $5.60 a share. As $1.50 a share was earned in the first quarter of 1949, the current year may give a pretty fair result despite the sharp cut in metal prices.

Noranda Still Doing Well

Noranda Mines appears to have a cost of producing copper very close to Hudson Bay, using the same methods to estimate cost. Our estimated cost for Noranda is 10.9 cents a pound, or a tenth of a cent a pound less than for H. B. As Noranda produces no lead or zinc, it may be experiencing a relatively small change in its direct earnings level due to reduction in metal prices. Steps have been taken to step up metal production this year, revenue can be expected from custom smelting of East Sullivan and Quemont concentrates.

Waite Amulet has been an important contributor to Noranda Mines income, will feel the effect of the reduction in metal prices more than its parent because zinc is produced as well as copper. Because of its joint operation with Amulet Dufault Mines, working out of cost per pound isn't feasible for this operation. But the Waite Amulet balance sheet as at Dec. 31, 1948, showed copper inventory valued at 10 cents a pound and zinc at 9 cents a pound (less treatment charges). Maybe costs aren't too high if inventory is valued at such figures.

Nickel Issues "Insulated"

International Nickel and Falconbridge Nickel have both been pretty well insulated from the drop in the price of base metals. There has been no change in the price of nickel; revenue from copper runs only half that from Nickel for Inco, probably even less for Falconbridge. Because demand for nickel is running about 20% below that for the first quarter as far as Inco is concerned, a moderate decline in earnings for both International Nickel and Falconbridge can be expected. But there appears to be no fundamental challenge to the profitability of either of these enterprises.

A survey of the position of smaller producers indicates that Normetal Mining Corp. and Golden Manitou both continue profitable, but that their costs run higher than Consolidated Smelters and Hudson Bay, possibly because they are smaller operators without their own facilities for smelting and refining. Of course, an operation like Golden Manitou is of a flexible character and a drop in metal prices can be offset by treating less marginal grade material.

Earnings of Sherritt Gordon, East Sullivan, New Calumet, United Keno and Sheep Creek's Zincton will all be trimmed by lower metal prices, it appears, but all stand a good chance of keeping in the black if metal prices recede no further. Granby and Britannia are in the question mark bracket.

The fact that mining costs haven't risen nearly as much in Canada as in the majority of the big mining countries means much for these producers. The fine efficiency demonstrated by East Sullivan, the silver turned out by United Keno and the decision of New Calumet to double mill capacity will do much to assure their continued success on a lower plane for metal prices.

In many quarters it is felt that the fact the break in metal prices has been extremely sharp will do much to place base metal mining on a sounder footing. Elimination of high cost, uneconomic, production in other countries, such as that built up by use of subsidies in the United States, will do much to bring production in line with demand. Actually, production never appears to have forged so much beyond demand and it may take no great change to bring about an overall balance again.

*In estimating costs, the arbitrary assumption is made that each metal produced contributed to profit in direct proportion to its contribution to sales dollar volume; incomplete information is available to estimate costs otherwise. DBS figures on 1948 average metal prices are used rather than actual prices realized; a number of other assumptions are made which it is felt should not materially change results from the actual.

Moneta Wins B. A. Fight

J. D. Barrington, Moneta Vice-president, Heads Ankerite Co.

Moneta Porcupine Mines, largest shareholder of Buffalo Ankerite Gold Mines, won the proxy battle between the Moneta group and a group headed by then-president R. P. Kinkel. The fight developed after a management split as to mining policy to be followed.

At the annual meeting in South Porcupine last week, the Moneta slate was installed with the exception of J. Betz of New York. H. B. Clearihue, Moneta secretary, filled the position planned for Mr. Betz.

Board of directors is now constituted as follows President — J. D. Barrington, Moneta vice-president and general manager; 1st vice-president, H. J. Carmichael; 2nd vice-president, A. J. Baldeck; secretary-treasurer, H. B. Clearihue; general manager, Dr. F. R. Burton; Dr. W. F. James, F. V. C. Hewett, C. C. Calvin, Everett Bristol, directors.

Carmichael In Chair

The meeting was chaired by H. J. Carmichael in the absence of Mr. Kinkel who was stated to be ill. Despite a plea by Mr. Carmichael that Mr. Kinkel be retained on the board of directors, the meeting decided that his name should be omitted.

Dr. Burton, who has been general manager representing Moneta interests for some time, reported that in the first four months of 1949, an operating profit of $45,000 was realized against an operating loss of around $170,000 in the corresponding period of 1948. In seeking control, the Moneta group stressed that there was a cleavage in viewpoints on mining policy and that Mr. Kinkel wanted lower grade non-economic material sent to the mill.

Liquid Position Better

A considerable improvement in financial position was reported to the meeting. At July 31, 1948, net cash position had been down to $88,756 but by May 26, 1949, this had been increased to $240,000. Changed mining and milling policy, plus economies underground, were stated to be responsible for the improved showing.

Mill capacity is 1,350 tons daily but in recent months it has been found profitable to treat only about 462 tons daily. Underground development and exploration have been increased despite the tendency to a lower mill rate, Mine Manager Claude E. Bowker reported.

East of the shaft on the 1,050-ft. level, a length of 300 ft. of better than mine average ore is stated to have been opened up. A raise is now going up from the 1,250-ft. level to open the area on the level immediately above.

NEW MARLON GOLD MINES reports that "due to increasing costs and lower grade of ore, resulting in unprofitable production, and the difficulty in obtaining adequate financing under present market conditions to carry on development, directors of New Marlon Gold Mines have decided to suspend operations pending a general improvement in the gold mining industry."

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Surplus	3,596,934.20
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IMF Plays Up 'Safeguards' In S. African Gold Sales

Leading article in the May 19, 1949, issue of the International Financial News Survey, official organ of the International Monetary Fund, is devoted to "South African Gold Sales." Twice as much space is devoted to this subject as to any of 36 other subjects reviewed.

Here is how IMF sums up the position on S. A. gold sales:

"The policy of the International Monetary Fund is to prevent sales of gold in this form from becoming a means of feeding the demand for gold for hoarding purposes and thus diminishing the proportion of newly mined gold which finds its way into monetary reserves. The Fund is also concerned about the fact that an increasing amount of gold in premium markets serves to aggravate difficulties of countries that are trying to prevent illicit import of gold into their territories. . .

"As a result of our discussions certain safeguards will be adopted to secure that semi-fabricated gold is sold only to manufacturers for purposes of genuine manufacture. . .

" Certain safeguards will also be adopted in the case of the manufacture in South Africa of gold articles for export in order to avoid such articles becoming a device solely for feeding the markets which the Fund desires to limit.

"The fund will of course continue to keep this whole matter of premium gold sales under review with all its members.

"The South African Minister gave further details of the discussions and the agreement reached. In sales of semi-processed gold, transactions will take place directly with the manufacturer who must submit an affidavit stating that the gold will be used by him only for manufacture. Further, the order must be accompanied by an import license from the manufacturer's country made out in the name of the manufacturer, indicating that the gold is being imported for the purpose of fabrication. . ."

Brewis & White Test New Campbell Find

A mineral discovery made by Colin Campbell in the Kenora area is to be financed by Brewis & White Ltd., with a new company, Nor-Pen Mines being formed to carry on development. Campbell is the man who brought the Campbell Red Lake discovery to the Brewis people.

The shear zone located in the Kenora area is stated to have been traced for a length of over a mile with the structure showing a width of half a mile.

Samples taken from various sections are stated to have shown good mineralization, and when assayed, returned values as high as $18.00 in gold with a silver, lead and copper content as well.

A public offering of the shares of the new company is planned in a few weeks, Brewis & White Ltd., reports.

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CONSOLIDATED ASTORIA MINES reports diamond drill hole No. 3 on its Indian Lake property was carried to 1,250 ft. without intersecting commercial values. The results of a geophysical program are expected shortly as a survey is now in progress. The drill is being held on the property to permit testing of any anomalies indicated.

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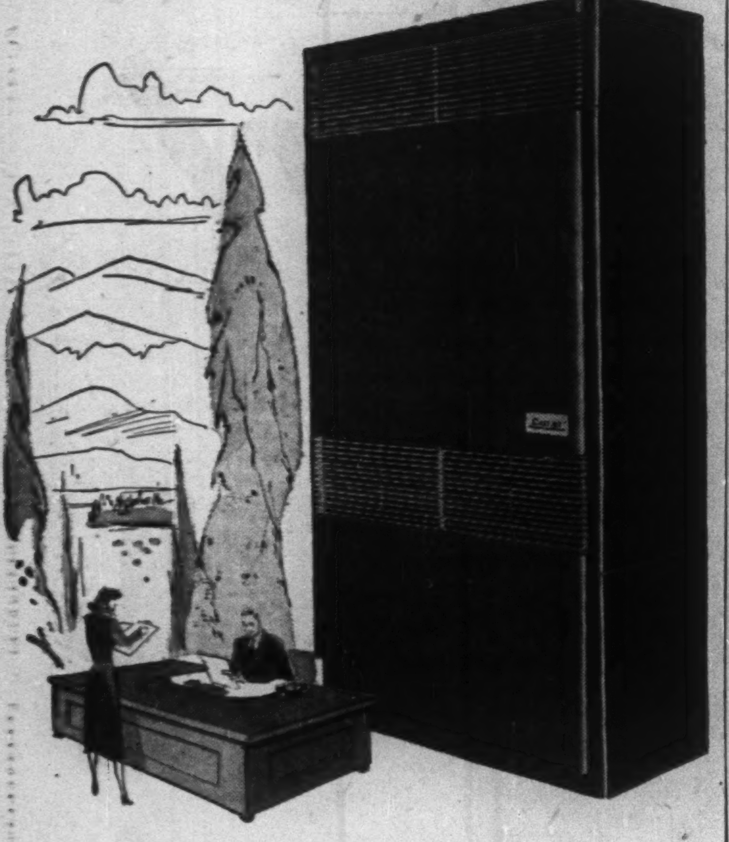

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LONDON CALLING—*By Adelphi*

Churchill Taking It Easy; Beaverbrook's Birthday

LONDON — Mr. Churchill's nonattendance at the House of Commons has become a topic of conversion here. He did not even turn up to vote against the Steel Bill.

His friends say that he is feeling tired and is taking it easy so as to be ready for the electoral fight when it comes. Others say that the old man is bored with the niggling and naggling of day-to-day politics. A third view is that he is concentrating on the unity of Western Europe.

The inevitable result is that Eden is now the undisputed leader of the Opposition in Commons. No one challenges his position except Lord Beaverbrook who keeps on saying that ministers who served in the Baldwin and Chamberlain administrations should not be included in the next Conservative Government.

This seems an odd accusation to level at Eden since he resigned from the Foreign Office as a protest against Chamberlain's policy of appeasement.

• • •

Big Day for Beaverbrook On His 70th Birthday

Beaverbrook has been big news this week. Astonishingly he has reached the age of 70 and there were celebrations that covered a period from luncheon almost to next day's breakfast.

Beaverbrook gave a dinner party for 50 at his country house when the guests included such a varied assortment as Arthur Sulzberger, owner of the New York Times, Chico Marx, Viscount Margesson, former Chief Whip of the Tory Party; Frank Owen, editor of the rival Daily Mail; Percy Cudlip, editor of the Socialist Daily Herald; the Earl of Bath, and the Marquis of Huntly, as well as the little group of intimates who have been closest to him in building up his newspaper kingdom.

Beaverbrook refused to sentimentalize about the tributes that poured in from everywhere. "I have always been blamed too much or praised too much," he told a luncheon audience of 800 at the Dorchester. "In both cases I have been the victim of exaggeration."

In an interview with the London Recorder he declared his intention of starting two new evening newspapers as soon as the easing of restrictions made it possible. Obviously he is determined to make things lively in the next 25 years.

• • •

Attlee, Morrison Smooth Down Ruffled Supporters

Mr. Attlee and Mr. Morrison met their subdued and rather resentful supporters to discuss the firing of the five Parliamentary Private Secretaries who voted against the Government on the Irish Bill and the expulsion of two M.P.'s from the Party.

I hear that several Socialist M.P.'s took the view that while discipline must lie in the hands of the executive, the conscience of the Party was the concern of all members. They pointed out that Mr. Attlee was not and could not be in touch with the feelings of the ordinary members.

Mr. Morrison warned them that a revolt such as the one which occurred over the Irish Bill might force the Government to fight an election before it was ready and when there was disunity. I understand that in the end there was a general reconciliation—until next time.

• • •

Sir Stafford Cripps has returned in fighting trim from Italy and pounded the Conservatives hard in the first of the committee stage debates on the Budget. He made the whole House gasp when he enunciated the theory that there was no rigid reason (except in the minds of capitalists) that nationalized industries should be run at a profit. Public roads were a service to the community, so why not coal or even transport, if it suited the national economy?

He did not actually advocate this delightful development but he did not rule it out as impossible. However, there is no use in denying the fact that Cripps is a formidable political figure and is absolutely confident in his own and the nation's survival.

The principal problem facing the British people is how to bring down the costs of production. The Socialists say that if wage packets have to be reduced, then all salaries and incomes must be reduced in proportion. There is, of course, the alternative of longer hours but neither the spirit nor the flesh of the British are in the mood for this as yet.

Undoubtedly the British are tired and in need of relaxation and nourishment. The health of the people is good but they have no reserve strength on which to draw. But stern necessity may force them to work harder or to reduce the costs of the formidable Social Services.

Another burden has been placed on production by the folly of bulk purchase. World commodity prices are falling everywhere but the British, because of agreements, are forced to pay well above the world level. The easy answer is that industry must take the rough with the smooth, and the Canadian wheat agreement is quoted over and over again. Unfortunately the overseas buyer is not interested in economic theory but merely asks the price of the goods offered to him.

• • •

The Oxford Group, now called Moral Rearmament, is preparing to hold its annual rally or conference in Switzerland beginning with the first week in June. Dr. Buchman will be there, so will M. Schuman of France; and even German political leaders are going.

Everything is being done on a big scale with aeroplane and train services and excellent hotel accommodation. The rally will go on for a fortnight.

There is a growing feeling that Moral Rearmament might be a good thing in a world that seems to be re-arming for war.

• • •

The miracle has happened. An Irishman named McCready, born in Belfast and therefore a Britisher, has won the British Amateur by outputting and outlasting Willie Turnesa. In successive days, he defeated Stranahan and Turnesa, the best two American amateurs. More than ever, this will determine Britain to keep Ulster inside the Empire.

COMPANY REPORTS

EASTERN UTILITIES LTD. 1948 net profit was off 16.6%. Subsidiary dividend payments and those received from other investments were fully maintained during the year excepting for Moncton Electricity & Gas. That company's dividend was restricted this year to 4½%. Moncton's gross revenues showed substantial increases, but these were more than offset by rising costs. Substantial capital expenditures were made for replacement and extensions.

INCOME ACCOUNT

Years Ended Dec. 31:	1948	1947
Net revenue	$135,647	$155,374
Less: Debent. int.	36,540	36,540
Net profit	99,107	118,834
Less: Pref. divs.	15,125	15,125
Surplus for year	83,982	103,709
Times debt. int. earned	3.71	4.25
Earnings per Share and Dividend Record:		
Pref.: Earned	$3.60	$4.32
Paid	0.55	0.55
Common: Earned	3.36	4.15
None paid.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1948	1947
Total curr. assets	$219,935	$137,611
Invest. in subs.	2,712,395	2,712,395
Total assets	2,932,330	2,850,006
Total curr. liab.	15,875	15,630
4½% debentures	812,000	812,000
Capital stock	1,403,103	1,403,103
Earned surplus	701,352	619,273
Working capital	204,060	121,981

Alberta Construction Has Boom of Its Own

From Our Own Correspondent

EDMONTON — Construction contracts awarded in Alberta in first four months were valued at $34.6 millions against $10.4 millions in the 1948 period, Industries Minister Dr. J. L. Robinson finds in latest MacLean Building Reports national compilation. That's a higher gain than shown in any other province. National total at $280.5 millions is up 34%, Alberta 233%.

In each of key cities of Edmonton and Calgary, Lethbridge and Medicine Hat, urban building construction as measured by municipal permits in first two months is almost double the 1948 period. In same two months, cement sales tonnage was 50% above the 1948 opener, lime products 42%.

STADACONA MINES (1944) reports operating profit of $27,250 for April including cost-aid of approximately $6,100. A total of 11,300 tons of ore was milled during the month with a gross production value of $73,890; average grade was $6.49 a ton.

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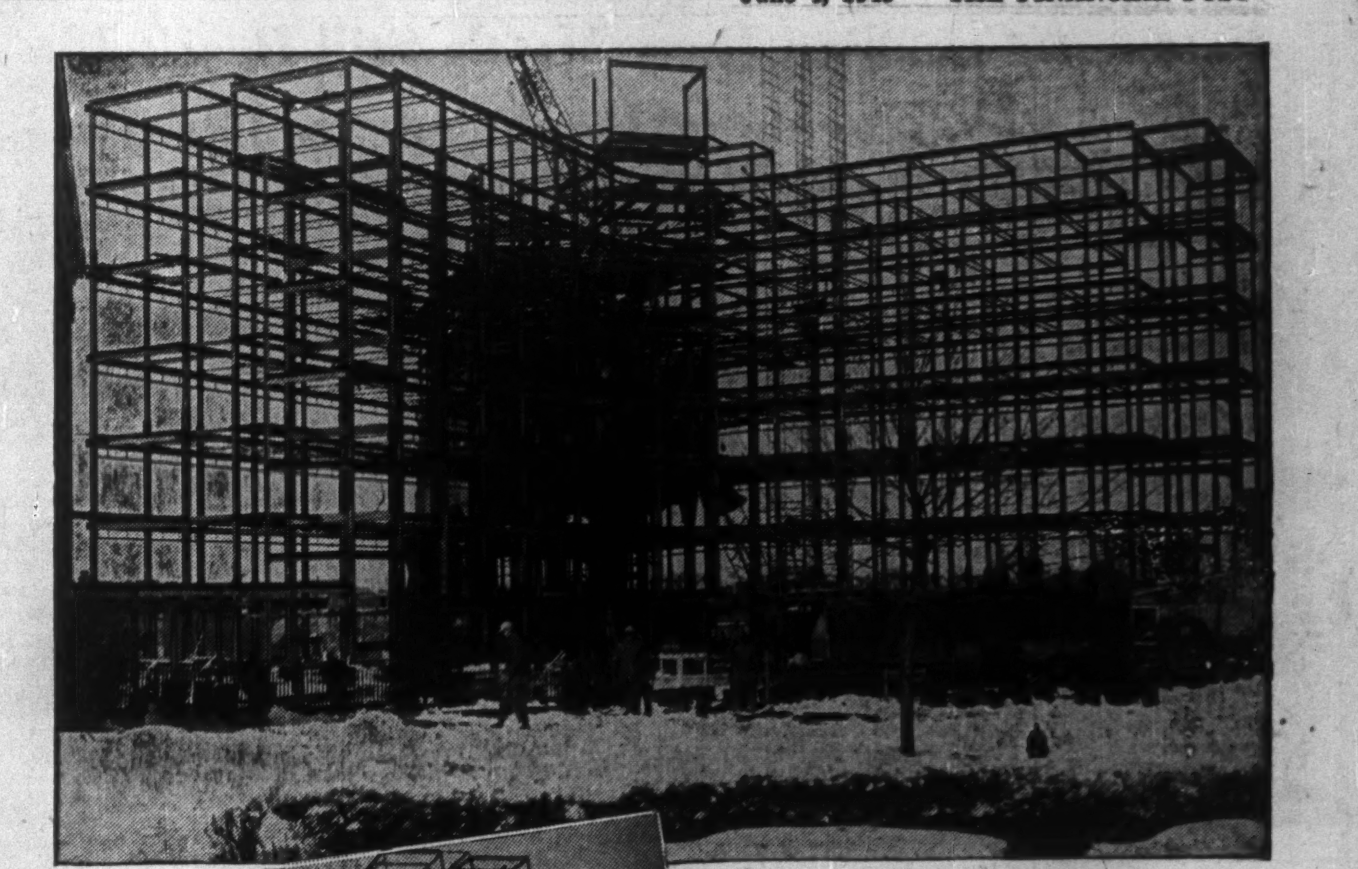

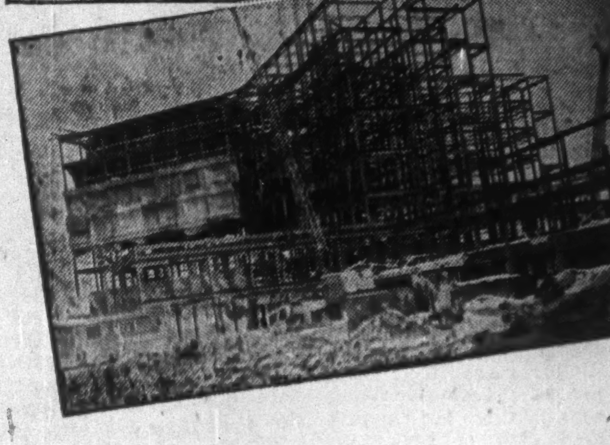

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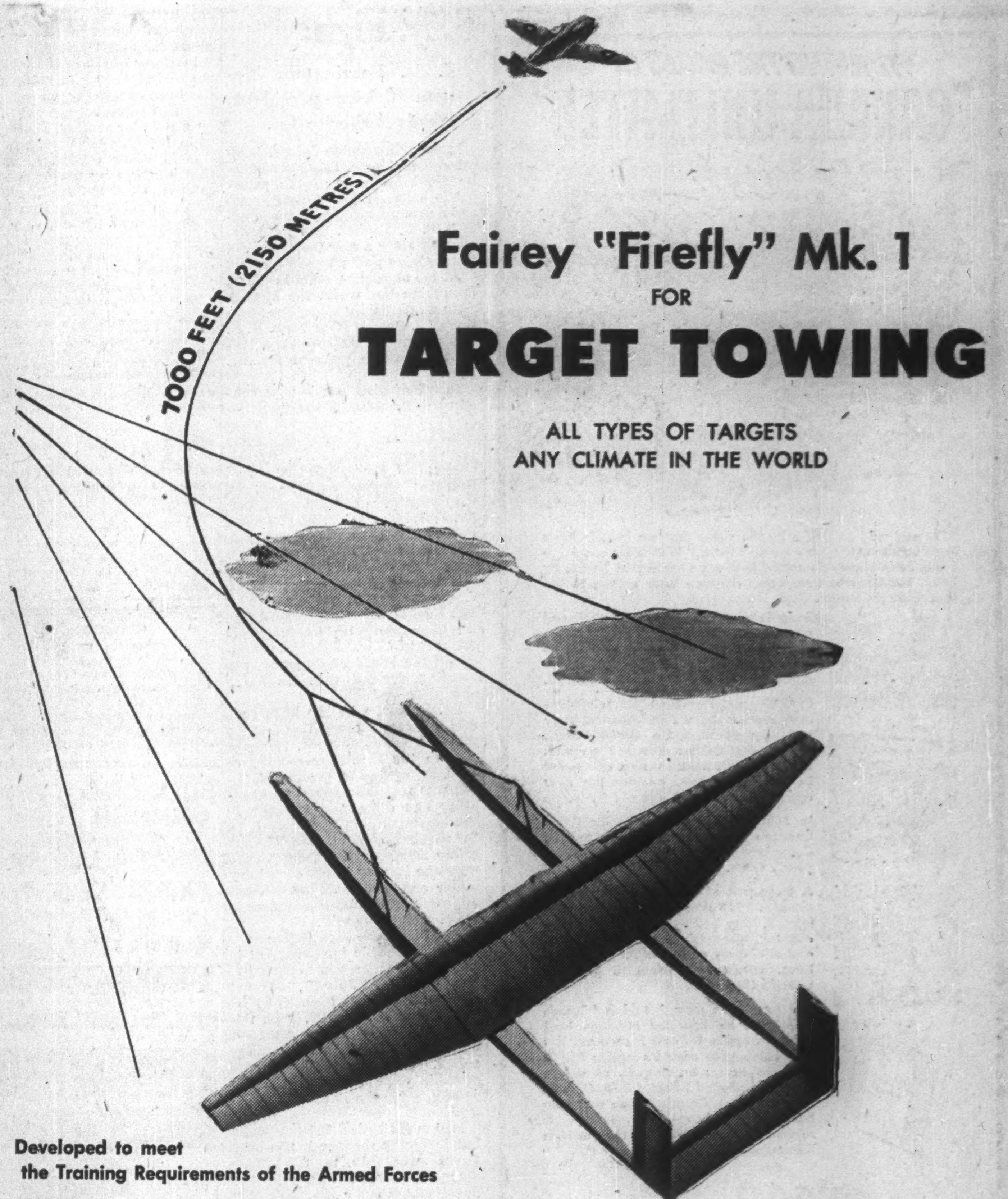

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This Greater Canada

What Newfoundland Brings to Dominion In New Wealth, Industry, People

By KENNETH R. WILSON

Armed now with its new provincial administration, Newfoundland has moved one step closer to full-fledged participation as a Canadian province.

Just what a "10-province" Canada looks like is not easy as yet to measure in statistical terms. It will be the best part of a year before comparable figures to those now collected in other parts of Canada will be available.

Here for the first time The Post has attempted to incorporate Newfoundland figures with those of the other nine provinces. Results are shown in the accompanying table.

From this study it will be seen that Canada emerges as at June 1, with an estimated population of approximately 13,500,000. Canada's area has increased by something better than 4%. Our new total cf 3,845,000 square miles includes the 112,000 miles of Labrador as well as the 42,700 square miles of Newfoundland itself. Newfoundland ranks seventh in area among the 10 Canadian provinces, about one-quarter the size of Quebec.

We'll add some 68,000 families and 64,000 dwellings—and a labor force of about 115,000. There'll be 3,000 more old-age pensioners and 72,000 school children now taking lessons in 1,200 schools. Our national income should rise by about 1%, and we will add about $70 millions to our national debt.

It's when we come to estimate the effect on trade and market statistics that the figures begin to blur. For instance, it's obvious that you can't add Newfoundland's $185 millions of foreign trade of 1947-48 to the $5.7 billions Canada transacted in 1948.

Both figures, of course, include an overlapping for the business transacted with each other. Squeeze this overlap out and it looks as if on 1948 figures, a 10-province Canada would have a total foreign trade of $5,770 millions.

Financial figures also present some complications. It's now estimated that for 1949-50, the "cost" to Canadian taxpayers of services, tax payments, etc. in Newfoundland will run close to $55 millions. This includes, family allowances, old age pensions, veterans' payments, statutory subsidies, etc.

Against this, the Federal Government hopes to collect something better than $25 millions in direct and indirect taxes and other new revenues.

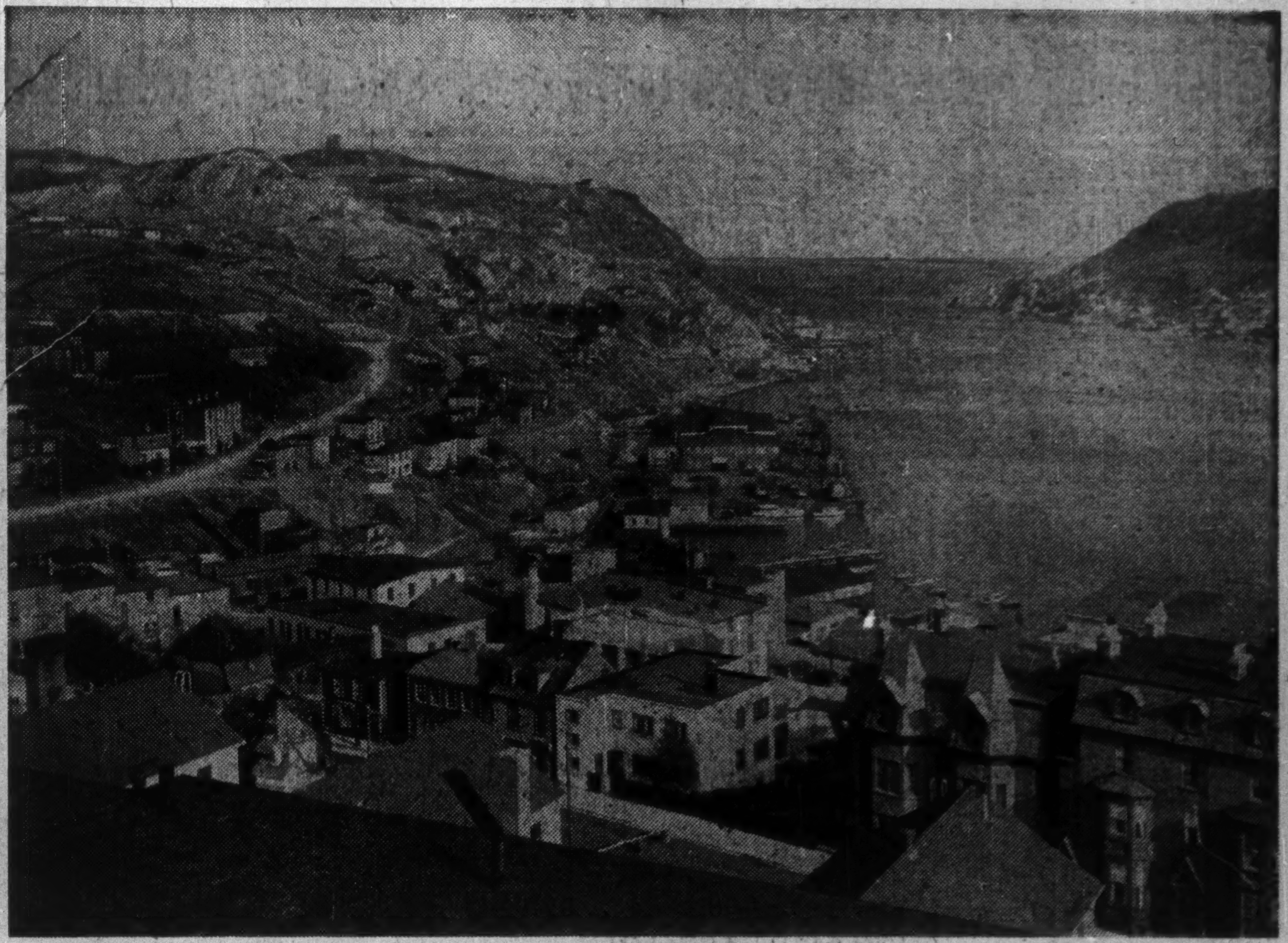
Too, Canadian producers, manufacturers, traders, etc. hope under present buoyant conditions to greatly expand their sales in the Newfoundland market. Reason for this is that removal of tariffs beween the two areas will divert considerable Newfoundland purchases from United States into the rest of Canada.

It has been estimated that the value of the Newfoundland market under terms of union should approximate $100 millions.

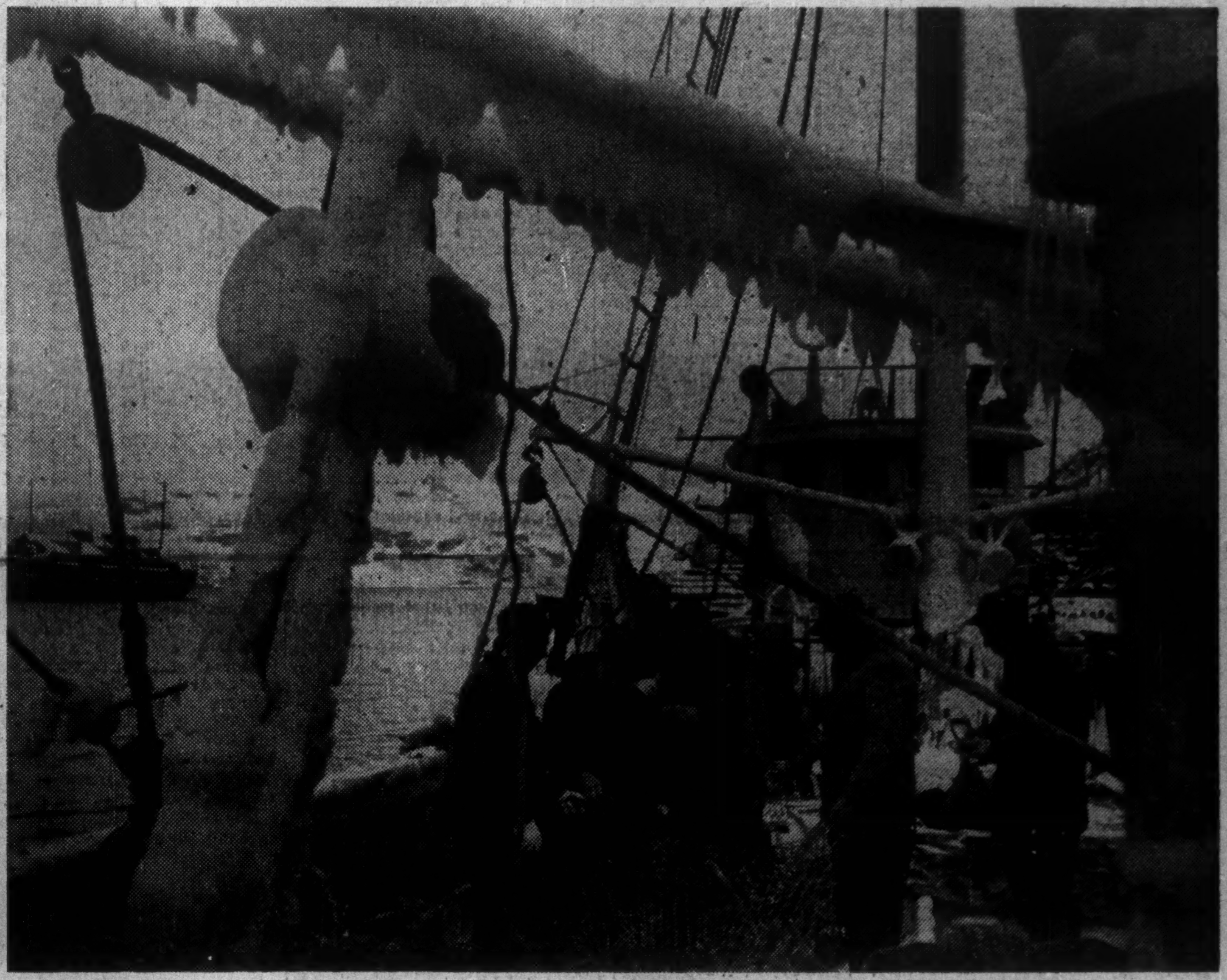
A Ten-Province Canada

	Nine Provinces	Newfoundland	Canada Today
Area (sq. miles)	3,690,400	154,700	3,845,100
Population (June 1, 1949)	13,170,000	330,000	13,500,000
Gainfully occupied	3,400,000	115,000	3,500,000
No. of families	2,517,000	68,000	2,585,000
No. of dwellings	2,636,000	64,000	2,700,000
Religions:			
Roman Catholic	4,987,000	106,000	5,100,000
Protestant	5,670,000	216,000	5,900,000
Old age pensioners	248,000	3,000	251,000
National income	$12,800,000,000	$120,000,000	$12,920,000,000
Net Federal debt	$12,400,000,000	$85,000,000	$12,470,000,000
Foreign Trade (1948 basis):			
Imports	$2,637,000,000	$105,000,000	$2,675,000,000
Exports	$3,075,000,000	$80,000,000	$3,095,000,000
Total	$5,710,000,000	$185,000,000	$5,770,000,000
Sea Fisheries:			
No. employed	48,000	28,000	76,000
Value of production	$145,000,000	$35,000,000	$180,000,000
Cod production	230,000,000	440,000,000	670,000,000
Value of exports	$84,000,000	$29,000,000	$113,000,000
Forestry:			
No. employed (logging)	105,000	9,000	114,000
Exports: Pulp, newsprint, etc.	$673,000,000	$26,000,000	$700,000,000
Lumber, etc.	$282,000,000	$6,000,000	$290,000,000
Mining:			
No. employed	85,000	3,500	88,500
Exports	$380,000,000	$16,000,000	$392,000,000
Value of production	$806,000,000	$20,000,000	$826,000,000

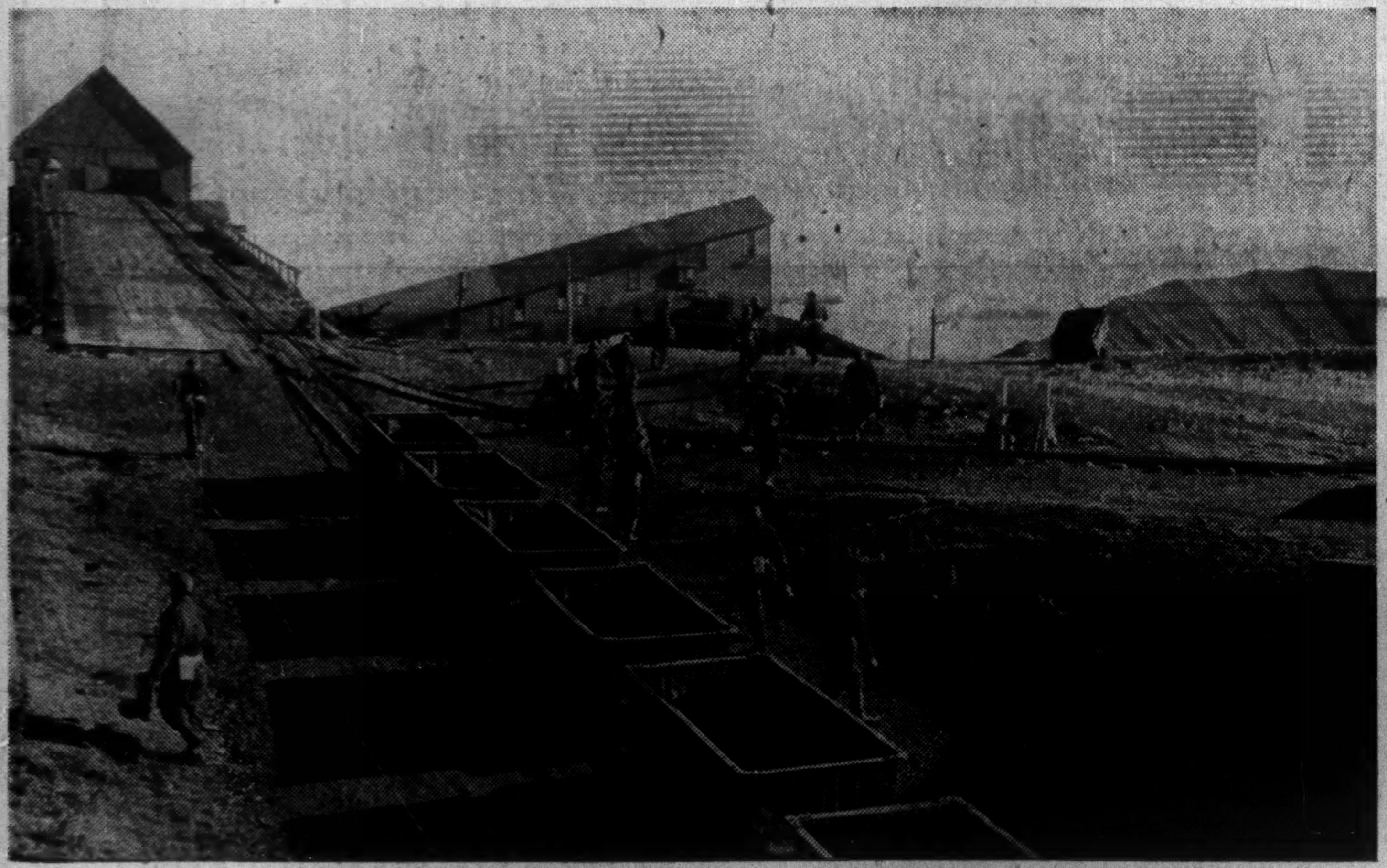
Note: Figures are latest available; usually 1948 or Newfoundland 1945 census if no later available. Totals in final column are "net" where allowance required for overlapping as in case of imports and exports. Final column estimates are approximate until Newfoundland statistics are available on basis comparable to that of other Canadian provinces.



THE CAPITAL: St. John's, trading and commercial centre of about 45,000 population within the municipality or 57,000 in greater St. John's area; about 1,000 miles from Halifax, nearly 2,000 miles from Liverpool, Eng.



FISHING: Employs 28,000 of the island's 115, 000 gainfully employed; annual value of production—$35 millions of which $29 millions go to export.



MINING: Employs 3,500; value of production — $20 millions of which $16 millions is exported. Principally: lead concentrates; iron ore; zinc concentrates; gravity concentrates; fluorspar.

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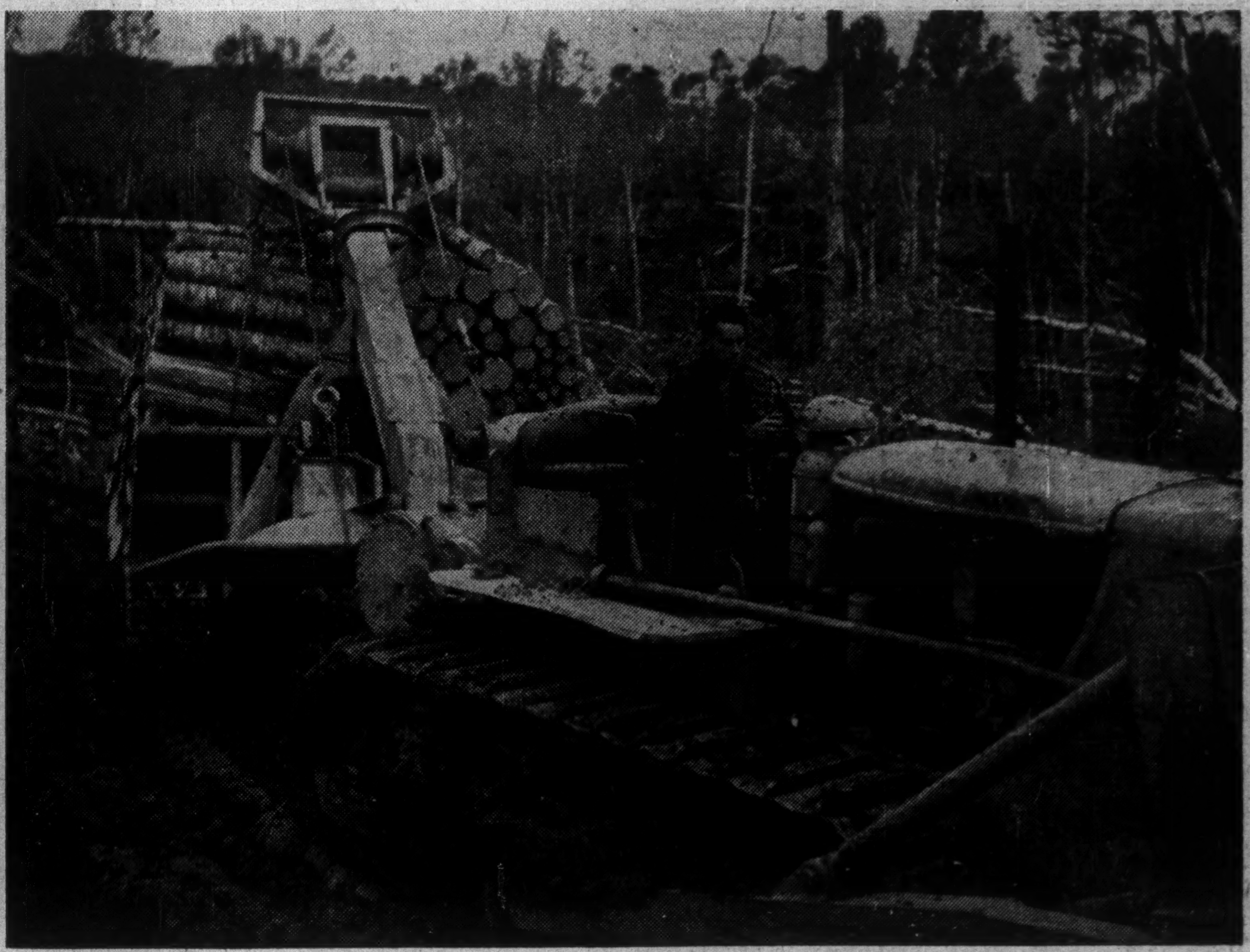
WORLD AIRPORT: Gander, jumping-off ground, terminal for most trans-Atlantic flights, was important wartime base for trans-Atlantic military aviation operations. Eight international airlines regularly use the airport.



FORESTRY: Pulp and paper (newsprint) is Newfoundland's most important forest industry with 9,000 engaged in logging operations. Annual value of newsprint exports is $26 millions, principally to U. K.

***KNOW YOUR NEWFOUNDLAND:** In succeeding pages The Post presents for the first time a comprehensive statistical picture of the 10th Province*

Union Brings Lower Prices, Higher Income to Nfld.

Fisheries Still Major Problem As Island Assesses New Status

By RUPERT JACKSON

What has Confederation brought to Newfoundland?

In some cases, the answer is not hard to find, in others it is more difficult.

Newfoundland has been the 10th province two months now, but the picture of changeover effect is not yet clear. Even so, some immediate benefits of union are most prominent.

First came an almost immediate drop in the staggeringly high cost of living—prices began to fall immediately the tariff wall was removed between Newfoundland and Canada on April 1.

Then family allowance cheques began pouring into settlements all around the craggy coastline, in some cases large enough to double the fisherman's annual income.

Net result will obviously be an increased standard of living, previously one of the lowest in North America. Although Newfoundland has been riding the crest of a gigantic war boom during the past few years, there has been no appreciable increase in living standards due to highest prices in the island's history. So high were they that one Canadian Navy man stationed here during the war called the island, "The world's greatest legal black market."

Tariffs Lifted Prices

Prices were high because even common vegetables and other basic items had to be imported either from Canada or United States. Besides, with the exception of items like flour, which were considered absolute essentials, all imports came in through a high tariff wall which was Newfoundland's chief source of income in pre-union days—supplying about 52% of total annual revenues.

On canned goods, clothing of certain types, etc., customs duties ran as high as 40%. On furniture and other items it was as high as 65%. In some cases it was even higher.

Newfoundland still has to import most of her needs, but union opened tariff walls overnight; produce from farms of Prince Edward Island, and clothing from mills of Ontario and Quebec could flow unhindered into the new province—they did—and immediately prices began to drop.

Also helping put the cost of living on skids was lowering of freight rates on Newfoundland railway and coastal steamer systems, taken over by CNR on union.

Although only 14% of Newfoundland total imports come in by rail, lowering of rail rates forced a drop in steamship rates, and so benefits of union grew. At the same time, cost of distribution around the island dropped, most of it being reflected in the merchant's price to fishermen, and driving outport living costs, always higher than those of St. John's, down still further.

Here are a few immediate price changes: tinned soups dropped from 22c to 16c per tin almost overnight; jellies formerly selling at 17c per package dropped to 25c for two packages. Butter went down 20c per pound; coal down $1.00 per ton. Cheese dropped 15c per pound.

Altogether, it is estimated that due solely to union cost of consumer goods here will level off soon at a spot about 20% lower than in pre-union days.

It's not only in basic consumer goods that a price drop is apparent. Tools of the fishermen's trade are also nosediving. Lines and twines for nets and trawls have come down considerably, and one line of marine engines has dropped by something like $100 per unit.

Some Prices Higher

Trend is the other way in some items, however. Although it hasn't happened yet, because businessmen stocked up before union, it is thought here that Newfoundland will have to pay more for U. S. goods because of higher Canadian tariffs, and these goods will be more difficult to get because of import quotas. Main line to be affected in this way will be electrical appliances, cars, etc. But none of these interest the fishermen and loggers of Newfoundland very much.

But what does interest them is that tobacco prices have gone up, with plug tobacco, dear to the fisherman's heart, taking the biggest jump. Main reason for the rise in prices is the imposition of Canadian excise taxes.

Another angle to some increasing prices is that now a domestic market of Canada, Newfoundland has to buy at domestic prices higher than previous export prices. Some drugs will go up for this reason. Some hardware items may also be affected.

But items affected in all these ways are more or less going against the general trend. Mainly, prices are dropping.

Incomes Improving

At the same time Newfoundland incomes are increasing through the application of social security.

Effect of family allowances here is the best example.

In one family, the allowance almost doubles pre-union income. With his share of the fishing voyage last year, Charles Morgan of Port de Grave, made $400. With five daughters all under six, family allowances this year will add $300 to that amount.

Net result is bound to be a healthy upsurge in the island's standard of living.

Even if union does no more than that, then it has accomplished much for Newfoundland.

That is immediate benefit. What of the future? Can any industrial development be anticipated?

Term 45 of the official Terms of Union of Newfoundland with Canada provides: "Should the Government of the Province of Newfoundland institute an economic survey of the Province of Newfoundland with a view to determining what resources may profitably be developed and what new industries may be established or existing industries expanded, the Government of Canada will make available the services of its technical employees and agencies to assist in the work."

Never before able to afford such an investigation that is too good a chance to miss, and the provincial government is already taking steps to launch a full scale economic survey aimed at:

exploration of present, undeveloped, known mineral deposits;

finding possible new deposits;

development of now-wasting waterpower;

survey of Labrador timber areas seeking raw material for a new paper mill;

and possible aid to, and diversification of, fisheries.

The Fishing Industry

Fisheries is, of course, mainly a federal matter, but Newfoundland hopes union will mean benefits for this industry which maintains 40% of the population.

With nearly half the province's fish markets situated in the sterling area, Newfoundland has been laboring under the hardship of non-convertibility of sterling for two years, making majority of sales to these markets through a special plan whereby sterling is accepted for fish, and fishermen and exporters here are paid in dollars provided out of government surplus account which was built up over the war years. It is hoped that some similar plan will be worked out by Canada so that salt codfish sales to important European markets can continue.

In the meantime, some help in selling fish to these areas is being given by ECA dollars, but Newfoundland is not banking on this. For the past year or so, the Newfoundland Fisheries Board has been searching diligently for other markets in dollar areas which will eventually replace sterling area markets.

In some respects, they have been remarkably successful, and it is now expected that Canada's world-wide Trade and Commerce organization will be a great boost in this connection.

In addition, federal government services will soon begin bringing Newfoundland fisheries statistics and scientific data up to the standard attained by other provinces. It is expected that this will be instrumental in putting fisheries here on a broader basis, perhaps taking the emphasis off the comparatively cheap salt codfish product and putting it on the higher returns fresh fish industry. This would benefit not only Newfoundland fishermen, but also over-all Canadian fishing industry value and economy.

While this is going on, the province will get the immediate benefit of a floor under fish prices through the Fish Prices Support Board.

Mining Possibilities

But biggest effort in respect to possible future development will be aimed at developing known but unexploited mineral deposits, finding new minerals and developing waterpower.

Right now, mineral production ranks third in this province's major industries, with a dollar value last year of over $20 millions.

It is extremely doubtful whether it will be possible to increase production in Dosco's iron mines at Bell Island, or the Buchans Mining Company's zinc concentrates mine at Buchans, although the Buchans people are now in the process of a large scale exploration program of their own, working under agreement with the Newfoundland Government.

It is also doubtful whether fluorspar mines on the South coast will see any expansion; they are already producing more than they can sell, and until the market is increased, expansion is doubtful.

In talc there is room for development of an insecticide industry. Plans for this are already under way, but it is too early to judge progress.

There may also be possibilities in reopening production at slate quarries in Trinity Bay, and copper deposits in Notre Dame Bay.

Labrador Iron Ore

Biggest expansion of mineral wealth in Newfoundland is yet to come. It will be the exploitation of the huge, rich iron ore deposit on the Labrador side of the Labrador-Quebec border. Hollinger interests have proved over the required 300,000,000 tons of ore needed to justify expense of going into production, and work is expected to begin shortly.

Right now only one-third of this 300,000,000 tons of ore has been proved in Labrador, remainder is in Quebec; but it has been stated that future exploration policy will lead to a relatively more intensive program in Labrador.

In Newfoundland as in Canada, this will be one of the major developments of the century.

Besides looking into possible development of known minerals, the embryo economic survey will prospect for new deposits in both Newfoundland and Labrador.

It is thought that there may be profitable deposits of copper, gold, asbestos and other minerals still under the rocks of Newfoundland's uninhabited and unexplored interior, and indications have been given of titanium, more iron (besides the Labrador Mining & Exploration Company's deposit), gold, copper and perhaps uranium in Labrador.

Just what full possibilities are is as yet unknown, but authorities are hopeful.

Hydro-Electric Power

Almost certain of large scale development is the vast quantity of water power in Newfoundland which now flows unhindered to the sea. It has been said that this province contains the largest undeveloped power sources remain-

(Continued on page 37)

What Newfoundland Buys

IMPORTS BY PRINCIPAL COMMODITIES AND MAIN SOURCES, FISCAL YEAR 1947-48

(Sources: Newfoundland Customs Returns)

Commodity Group	Total Value ($000)	Total % of all Imports %	Imported From — Canada ($000)	Imported From — U.S. ($000)	Imported From — Others ($000)
TOTAL IMPORTS	105,055	100.0	54,983	40,313	9,759
Foodstuffs and Beverages	33,199	31.6	20,650	9,830	2,710
Flour, meal, grains	6,368	6.1	5,156	1,201	10
Vegetables	1,526	1.5	1,137	384	4
Fruit and juices	2,115	2.0	1,094	970	53
Fresh meats	2,468	2.3	2,386	83	—
Preserved meats	6,184	5.9	3,508	2,644	32
Sugar and products	4,440	4.2	1,041	2,608	790
Milk and products	2,342	2.2	1,229	1,031	82
Oils and fats, edible	2,077	2.0	1,948	129	—
Tea, coffee, cocoa	2,131	2.0	1,224	216	690
Wines, liquors, beer	1,454	1.4	360	108	987
Other foodstuffs	2,094	2,0	1,567	466	61
Animal and Vegetable Products—					
Inedible	6,340	6.0	3,216	2,770	354
Furs and fur garments	175	0.2	88	85	3
Leather & manufactures	1,593	1.5	849	539	205
Rubber & manufactures	2,022	1.9	1,255	687	80
Tobacco and products	1,652	1.6	248	1,370	33
Other products	898	0.9	776	88	33
Textiles and Clothing	11.897	11.3	4,241	4,944	2,711
Cotton fabrics	1,423	1.4	208	1,023	192
Cotton clothing	1,979	1.9	671	1,195	114
Wool fabrics	824	0.8	82	92	650
Wool clothing	2,124	2.0	1,325	561	237
Rayon, etc., clothing	1,330	1.3	609	711	10
House furnishings	1,088	1.0	297	542	249
Other	3,128	3.0	1,050	820	1,258
Wood and Paper	5,240	5.0	3,119	2,003	118
Lumber	1,143	1.1	457	672	15
Paper and manufactures	2,651	2.5	1,579	987	85
Other products	36	—	4	29	3
Non-Metallic Minerals	13,471	12.8	7,375	4,467	1,629
Coal	5,236	5.0	3,422	1,765	50
Fuel Oils	1,584	1.5	1,559	25	—
Gasoline	3,547	3.4	1,149	1,738	660
Other oils and greases	746	0.7	675	68	3
Glass and products	464	0.4	96	267	101
Crockery and clay prod.	314	0.3	123	34	157
Coarse salt	547	0.5	37	25	484
Other	1,032	1.0	315	544	174
Metals and Manufactures	7,490	7.1	3,906	2,883	701
Construction materials	1,762	1.7	769	818	175
Pipe and fittings	459	0.4	238	154	67
Tools	898	0.8	384	419	95
Bolts, nails, wire, etc.	825	0.8	511	199	114
Utensils, hardware, etc.	507	0.5	258	225	24
Other	3,039	2.9	1,745	1,067	227
Machinery and Vehicles	18,488	17.6	7,355	10,143	990
Elec. motors & mach.	1,302	1.2	302	956	44
Electrical appliances	2,521	2.4	649	1,651	220
Industrial machinery	7,512	7.2	4,643	2,585	283
Cars, trucks and buses	3,679	3.5	1,148	2,362	169
Other vehicles	3,475	3.3	612	2,588	274
Chemicals and Allied Prod.	3,663	3.5	2,510	880	274
Medicinal preparations	741	0.7	518	147	76
Industrial chemicals	799	0.8	384	370	46
Pigments, paints, etc.	404	0.4	285	92	27
Fertilizers	205	0.2	166	39	—
Explosives	318	0.3	314	2	3
Soap, toilet preparations	1,094	1.0	799	190	105
Other	102	0.1	45	40	17
Miscellaneous	5,266	5.1	2,610	2,384	273
Photographic goods	280	0.3	181	96	4
Scientific and musical	502	0.5	245	213	43
Toys, games, firearms	171	0.2	130	31	11
Jewelers' goods	118	0.1	59	52	7
Other miscellaneous	4,195	4.0	1,995	1,992	208

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THE ANGLO-NEWFOUNDLAND DEVELOPMENT COMPANY LIMITED

HEAD OFFICE: GRAND FALLS, NEWFOUNDLAND

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Iron Tops Newfoundland Mineral Production, Prospects

Wabana Gives Dosco Supply; Labrador-Quebec Reserve High

With the entry of Newfoundland as the 10th province, Canada has gained one of the world's richest iron producing areas.

At Wabana on Bell Island is located one of the largest red hematite deposits known. In Labrador, indicated high-grade iron ore reserves now stand at 101,064,000 long tons, with millions of tons more said to be still uncovered.

Actually, traces of just about every mineral have been discovered in Newfoundland. Only three or four, however, have been located in sufficient quantities to support commercial operations. But there is no doubt at all that the new province has an abundance of one of the most important of all minerals—iron. Wabana and Labrador may yet prove to be the most important factors in Newfoundland's economy.

Increased prices for all Newfoundland mineral products have meant that the year 1948 has set an all time high value of mineral production, in excess of $20 millions. This compares with the 1947 record of $15 millions. Approximately 4,000 workers were engaged in the mining industry, with total wages and salaries for 1948 amounting to $7.3 millions.

The Labrador — Quebec Reserves

In 1948, the Labrador Mining & Exploration Co. added approximately 60 million tons to its indicated iron ore reserves which brought them up to 101 million long tons on the Labrador side. Drilling to date on the Quebec side has indicated 222,774,000 tons, bringing total reserves on the joint Labrador and Quebec concessions up to 323,828,000 tons.

So far, most of the work in developing these iron deposits has taken place on the Quebec side, due primarily to the large number of outcroppings in this area. Now that the required reserves have been proven, it is anticipated that the company will devote more attention to its Labrador properties.

Sufficient tonnage on both Quebec and Labrador sides has now been proven to justify expenditure of $200 million on production facilities, including a railroad.

Plans for financing are being formulated, J. R. Timmins, president of the company states. While substantial tonnages of ore will have to be marketed in United States, an ample supply will be reserved for Canada and United Kingdom, no matter what form financing takes.

Run Railway Line

Final location of the proposed railway has been run on 100 miles of the rougher section between Seven Islands and Wacouna Lake.

Output of Mines

Mineral Production, Calendar Years 1947 and 1948
(Source: Newfoundland Government Geologist)

Mineral	1947 Quantity tons	1947 Value $	1948 (1) Quantity tons	1948 (1) Value $
Iron ore ..	1,443,410	5,917,981	1,448,000	5,936,800
Limestone	312,155	466,424	312,000	466,000
Lead concentrates	34,216	5,296,773	33,000	6,032,000
Zinc concentrates	70,403	2,028,659	70,000	4,953,000
Copper concentrates	16,137	1,596,832	17,000	1,450,000
Gravity concentrates	167	95,978	125	77,000
Fluorspar	25,743	297,134	98,700	1,299,800
Grinding pebbles ..	265	4,770	....	....
Pyrophyllite	242	6,084	....	....
Total	1,902,738	15,710,635	1,978,825	20,214,600

(1) Estimated.

In building the railroad, it is proposed to first open up a tote road along the same route as the railway to follow. A number of construction gangs will be flown in at various points. Once the tote road is finished, heavy mining machinery can be moved over it thus preparing a hard roadbed for the rail-laying operation.

Plans of the company call for an annual output of 10 million tons from the joint Labrador-Quebec concessions. Company management has been negotiating with American steel companies on the question of finances and several parties have approached the Hollinger interests, it is stated.

As all the authorized shares of Labrador Mining & Exploration Co. are outstanding, plans are being considered as to the best method of raising funds to pay liabilities and cover future expenses for prospecting and exploration work. Balance sheet at Dec. 31, 1948, showed current assets of $41,236 against liabilities of $173,551 (chiefly money owing to Hollinger North Shore and Newfoundland Skyways).

An active field season for 1949 is planned on the new Quebec and Labrador concessions. Twenty geological and prospecting parties are being placed in the field and they will watch for base metals as well as further iron deposits. At least five drills are expected to be in operation and if any really interesting base metal finds should be made, it is quite likely that these would be drilled out during the season.

Watch for Manganese

Mining men are likely to watch for any results which would indicate the presence of manganese, a metal used in steel making and which has been in chronic short supply on the North American continent for a number of years. It is believed that a manganese trough may exist in the Labrador property.

A charter has been secured for the Quebec North Shore & Labrador Railway to extend initially from Seven Islands on the Gulf 260 miles north to the area of iron deposits and tapping the southern two thirds of this region.

Under the Labrador Railway Act, 1948, passed by the Newfoundland Government, Labrador Mining & Exploration Co. must commence construction of the railway within five years (by 1953) and complete within 10 years. It also provides that goods and articles for use in connection with the railway shall be admitted into Newfoundland free of import duty for 20 years.

Under the Labrador Mining & Exploration Co. Ltd. Act, under which the company will operate in Labrador, the company will pay a flat yearly rental of 50 cents an acre, less any royalty paid within the year. The royalty payable will be a sum equivalent to 5% of the yearly profit, realized from the sale of iron ores, minerals, coal, etc., thus if and when the company's production reaches a stage where royalties equal or exceed the rental, no rent is payable.

One of the key factors which makes mining ore in the remote Labrador-Quebec area feasible is the possibility of harnessing hydro-electric power to provide low mining and ore transportation costs. At Grand Falls on the Hamilton River in Labrador is one of the greatest undeveloped waterpower sites in the world. A power potential of one billion horsepower has been mentioned in connection with this site. At present there are no plans to harness this giant and the first power development will be at Eaton Canyon on the Kaniapiskau River in Quebec.

The Wabana Deposit

While Labrador iron is one of Newfoundland's best economic bets for the future, the Wabana iron mines on Bell Island have been producing for more than 50 years. In the last decade of the 19th century, the first cargo of iron ore from Wabana left for Halifax. Unlike the copper deposits, large quantities of iron ore are still mined at Wabana where is located one of the largest red hematite deposits known.

Dominion Steel & Coal Corp. which owns and operates the Wabana deposits states that a contract is pending with interests who, if government permission is obtained, will supply the capital necessary to expand facilities to increase productive capacity by 50%. The capital advanced will be amortized on the price of ore sold to them over a ten-year period.

Last year proved to be a period of extensive activity at Bell Island with an approximate total production of 1,450,000 tons of iron ore. This has been exceeded in only eight years in the history of Bell Island's operations.

The total ore shipped was approximately 1,720,000 tons which was exceeded in only one year, 1937, when 848,222 tons were shipped to Germany. Employment has averaged 2,060 and the largest weekly output was in the week ending Dec. 4, 1948, when 33,640 tons of iron ore were hoisted. It is claimed that the incentive bonus scheme at Bell Island has undoubtedly been an important factor in increasing production and is apparently working to the satisfaction of both the management and the employees.

Terra Nova Properties

Another important mineral development in Newfoundland is that at Buchans, owned and operated by the Terra Nova properties, a subsidiary of Anglo Newfoundland Development Co. The complex ore body worked by the company was opened in 1928. The ore contains copper, lead and zinc and is shipped both as ore and as copper, lead and zinc concentrates.

The tonnage of ore milled by the company during 1948 was 319,000 tons as compared with 341,000 tons treated in the year 1947. The tonnage treated was adversely affected by shortage of power during January to April.

Diamond drill exploration work continued throughout the year. Further holes drilled in the area that yielded favorable results last year encountered ore intersections at depths considerably below any previously known ore horizons. This area is located one-half to three-quarters of a mile northwest of Lucky Strike main shaft.

This diamond drilling has indicated 1,342,000 tons of ore which can be considered as reasonably assured. In addition, 1,400,000 tons of ore seem possible as further extensions. The estimated reserves of assured ore in the Lucky Strike and Oriental ore bodies at Dec. 31, 1948, were 1,211,900 tons. In addition there is an estimated tonnage of low-grade ore totaling 233,900 tons which under favorable conditions might be mined at a profit. During 1948 some tonnage was mined from these low-grade reserves. The total ore reserves of all kinds now amounts to over four million tons, a big improvement over the position at the end of 1947.

Plan $2 Million Program

To develop the new orebodies it is planned to sink another operating shaft to be known as the Rothermere shaft from which development headings will be driven at appropriate elevations. The cost of the program including new shaft, headframe, hoisting equipment, etc. plus additional housing accommodation and other townsite facilities for men engaged on this development is now estimated at $2 million. Exploration of the prospecting areas was continued by three geological and two geophysical field parties serviced by the Norse plane. Exploration work is being continued in 1949.

During 1948, negotiations were carried on between the Terra Nova properties and the Newfoundland Government to obtain exclusive rights on certain crown lands totaling approximately 6,250 square miles outside the area covered by earlier agreements. An agreement covering this grant was concluded early in 1949 and a complete aerial survey of the lands will be undertaken as the initial exploration step.

Other Minerals

As mentioned above, traces of virtually every mineral have been found in Newfoundland. Next to iron and the complex ores, most important mineral discovery on the island has been that of fluorspar. Deposits of this mineral have been worked commercially by two companies, Newfoundland Fluorspar Co. and St. Lawrence Corp. (Nfld.).

An increase in the activity in the St. Lawrence fluorspar area occurred in 1948. The Newfoundland Fluorspar Co. got back into operation for the first time since 1945.

St. Lawrence Corp. also increased its shipments considerably, jumping from 15,000 tons in 1947 to 24,000 in 1948. Main operations of this company are at Iron Springs, where development has been progressing on the 450 ft. and 560 ft. levels with the average width of the vein keeping about the same as at the upper levels. Development is keeping ahead of the company's mill requirements.

It is stated that a noteworthy fact is the quality of the concentrate produced by the St. Lawrence Corp. In a shipment to United States last year, the fluorspar had a silicate content of only 0.39% which indicates a remarkably high grade product, it is stated. Total value of the St. Lawrence production last year was well over $1.2 million.

St. Lawrence Corp. installed a new Diesel generator last year which will help to alleviate the serious power shortage in the area. The power situation, however, is still not good and a curtailed power supply can seriously hamper fluorspar production.

Limestone Production

At Aguanthuna, limestone is mined for the operations of Dominion Steel & Coal Corp. at Sydney. In 1947, 322,000 tons of limestone were mined, or slightly under the 350,139 tons mined in 1946. Production last year was at an average rate, it is stated.

Claude K. Howse, government geologist, reports that the work of the geological survey for 1948 continued. This is part of a definite plan for a geological survey of the whole of Newfoundland.

Nine parties were sent into the field last year, including two engaged on special work. These latter investigated the coal resources of the island and the exploration of salt deposits.

Investigations into the coal deposits revealed that they did not possess commercial possibilities. In his report on the coal, Professor A. O. Hayes stated that the structural conditions would make mining difficult even if a thick seam were to be discovered.

Purpose of the salt survey party was to map in detail selected sections within the Rambler and Fogo districts to provide a basis for the direction of diamond drilling in the search for mineable beds of salt.

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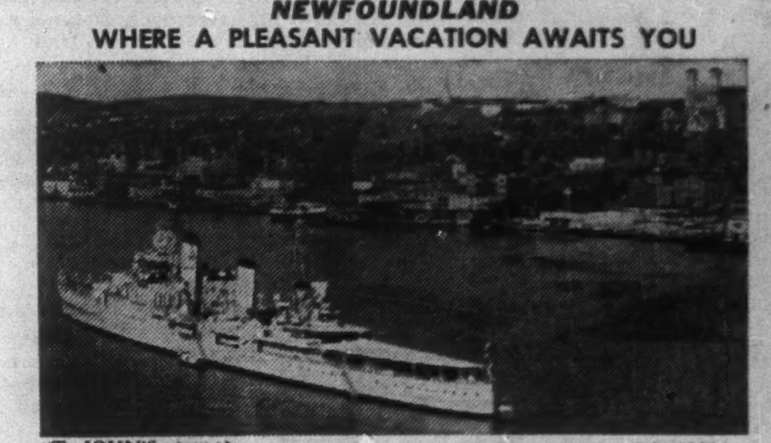
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Will Union End Newfoundland's Transportation Problems?

Full System of Coast Roads, Highway Across Island Needed

(Special Correspondence)

ST. JOHN'S — With most of the island's population scattered through 1,300 settlements all round 6,000 miles of rugged wave-washed coastline, most of them completely isolated, biggest drawback in development of Newfoundland has been lack of transportation. Only way to reach majority of settlements is by boat in summer or by dog team and shanks' mare in winter.

Solution of the problem has been sought and sought diligently by past governments, but restrictions have been placed on their efforts by the costs. Slowly but surely, however, partial solution is drawing nearer as a projected $6 millions trans-insular highway steadily pushes its way into the wilderness through the linking up of presently existing roads. Now 226 miles from completion, this year will see another connecting link forged, bringing the end of the line still nearer.

Trans-insular highway following route presently planned will do much to solve transportation problem, but it will not be full solution. Only a complete system of coast roads linking up all fishing settlements to the trans-insular highway would do that, and that would take decades and millions of dollars to build.

This complete system of roads is a dream which may never be fulfilled, but during the past half century Newfoundland has made a great deal of headway with transportation problems, particularly when the amount of money available is taken into consideration. Much has been accomplished since the late 1890's when the first train puffed its way across the island. Up to that time roads and railways were entirely unknown and only transport was fishing boats and schooners.

The Picture Today

How does Newfoundland stand today?

Principal overland transportation services are provided by the Newfoundland Railway, which was taken over on union by Canadian National Railways.

Main line runs from St. John's to Port aux Basques, touching all main centres like Gander, Grand Falls, Corner Brook on the way. Trains make the 550-mile trip over the single-track line in 26 hours on a normal run. Four branch lines go to Carbonear, Lewisporte, Argentia and Bonavista, and when these are added to the main line there are 705 miles of narrow-gauge track.

Other transportation to those areas not serviced by railway itself is provided by the railway-run system of coastal steamers which serve northern Newfoundland and Labrador, part of the east and west coasts and Notre Dame Bay in summer, and south coast all year round. Service on most of these runs, however, is slow because so many stops have to be made.

Railway also runs half a dozen small freighters, called the "splinter fleet," which not only carry freight to Newfoundland outports but to foreign ports as well. Also operated by the railway system is the Cabot Strait ferry service which connects Newfoundland with the mainland, making the run from North Sydney to Port aux Basques in nine hours.

Now employing some 4,170 men, and last year carrying 274,497 passengers and 856,560 tons of freight, the rail trans-insular link was completed in 1897 by a private company. But 25 years later it ran into financial difficulties and was taken over by the Newfoundland Government. Ever since then, with but five exceptions (1936-37, 1940-41-42-43-44), the auditor has used red ink in making up the books at the end of the year. Since 1920 total losses have been in the vicinity of $10 millions.

This red-inky system has now been taken over by CNR, but it will be a long time yet before it begins to pay its way. In the meantime it is likely to add over $1 million annually to CNR's over-all deficit.

As railway costs mount and need for vast capital expenditures for rerailing of line and new rolling stock becomes more and more apparent, revenues were decreased on April 1 by a reduction in general freight and passenger rates to conform with general CNR rates across Canada. In some cases Newfoundland passenger rates dropped by 50%, and freight rates took a sizeable cut.

As a result economies will have to be instituted to lessen deficits, and these may be in line with recommendations made two years ago by H. E. O. Wheeler, ex-Southern Railway traffic super, who was brought to Newfoundland by the now-defunct Commission Government to investigate the system.

Wheeler recommended a staff cut, closing of at least two red-inky branch lines and if possible a 10% reduction of expenditures. Up to now, with CNR still ironing out initial takeover problems, no definite action has been taken, but a staff cut, at least, may come in the near future.

But regardless of what it costs, railway must continue as a public service. Without it development of the mighty paper mills at Grand Falls and Corner Brook, mines at Buchans and Gander Airport would have been impossible, and it is the island's only real means of transportation.

Steamship Services

Similarly with coastal steamer service. Like the railway itself the steamer service must be kept on. Plying their way on regular runs, small ships like the Baccalieu, Burgeo, Kyle, Northern Ranger and others, carry passengers, freight and mails to small outlying settlements which otherwise would have no connection with the outside world beyond fishing craft.

During winter months, when shipping cannot operate, people in northern areas are completely isolated, and in most cases cannot get in supplies from the time ice creeps in on the coast in autumn until spring breakup. During recent years mail and passengers have got in and out through air transportation. In northern areas there are no roads whatever.

Because of impossibility of winter transportation and slowness of service in summer, merchants in outposts are forced to buy supplies in bulk during spring and autumn to carry them over summer and winter respectively, and this has given rise to Newfoundland's unique business system.

Soon after breakup merchants travel into St. John's and buy complete summer supplies, bringing most essential fishermen's supplies back to their settlements with them, and having the remainder follow on a later boat. In autumn same thing happens again, this time getting in enough supplies to carry them over the long winter.

Buying in large quantities such as this, it is a rare Newfoundland merchant who has enough ready cash to pay for his goods on the line, so most of them are paid for on a long-term credit basis. Usually goods bought in spring are paid for the following autumn, and autumn goods in spring.

Most of these goods are imported into St. John's from outside markets, and are shipped through to the outposts by railway coastal steamer, although some of them go forward in small coastal schooners, owned either by an independent fisherman making a little freight money on the side, or by the outpost merchant himself.

Schooners and smaller boats are also used to take freight and passengers from coastal steamers calling at central points, and to distribute them through the district.

As can be seen this means high transportation and handling charges, and as a result prices charged in outposts are often 10% to 20% higher than those in St. John's.

The Problem of Roads

Over the years successive Newfoundland governments have been trying to aid this difficult distribution system by building local roads, for which there is a crying need.

Presently, about the only reasonable passable road networks in the island are situated on the Avalon Peninsula, with the longest road in Newfoundland, the 249-mile Cabot Highway, going off the Peninsula to Bonavista. Only other sections with reasonable roads are in and around the paper towns of Grand Falls and Corner Brook, but even those are not nearly enough to fill the needs of the areas concerned.

In the remainder of the province roads are practically nonexistent.

Where Nfld. Traded

Summary of the Trade of Newfoundland with Principal Countries

(Source: Newfoundland Customs Returns)

Year (1)	United Kingdom		Canada		United States	
	Imports	Exports	Imports	Exports	Imports	Exports
	(Thousands of Dollars)					
Quinquennial Averages—						
1881-85 .	2,839	1,648	2,122	336	2,217	294
1886-90 ..	2,304	1,324	2,091	405	1,495	347
1891-95 ..	2,200	1,571	2,548	698	1,492	575
1896-1900	1,885	1,521	2,046	510	1,840	609
1901-05 ..	2,323	1,970	3,037	947	2,650	1,236
1906-10 ..	2,634	1,487	3,818	1,585	3,944	1,129
1911-15 ..	3,492	2,976	4,771	1,741	5,266	1,393
1916-20 ..	2,897	4,390	11,023	2,229	12,309	4,833
Year—						
1923-24 ..	6,250	7,615	11,569	2,032	8,589	1,901
1924-25 ..	11,358	7,146	13,760	1,683	9,976	2,705
1925-26 ..	5,785	6,460	11,826	1,988	8,862	4,866
1926-27 ..	[illegible]	6,273	11,635	2,087	8,554	9,420
1927-28 ..	4,987	7,597	12,142	2,640	9,331	9,833
1928-29 ..	6,212	7,578	11,832	3,047	9,880	11,597
1929-30 ..	5,528	8,648	12,993	3,968	12,102	11,433
1930-31 ..	4,192	9,492	10,675	2,327	9,266	10,986
1931-32 ..	3,183	7,899	8,351	1,317	5,715	10,106
1932-33 ..	3,778	8,944	5,813	581	4,149	7,426
1933-34 ..	3,833	11,092	6,515	897	4,594	5,194
1934-35 ..	4,684	10,317	7,155	2,184	5,700	5,172
1935-36 ..	5,233	11,327	7,635	2,867	6,200	6,220
1936-37 ..	5,658	10,928	8,879	2,616	7,447	6,277
1937-38 ..	6,352	13,172	9,974	3,147	9,409	8,168
1938-39 ..	5,878	11,327	9,196	2,455	7,493	7,265
1939-40 ..	5,354	11,001	10,996	2,973	10,512	9,786
1940-41 —	3,779	11,171	18,595	3,886	12,227	13,539
1941-42 ..	3,999	7,063	38,759	5,549	20,412	15,868
1942-43 ..	1,637	3,938	33,415	5,009	16,514	13,059
1943-44 ..	2,039	11,461	41,483	8,516	18,110	14,003
1944-45 ..	2,088	12,098	43,035	7,388	19,363	13,989
1945-46 ..	2,604	14,184	41,376	9,886	20,603	19,101
1946-47 ..	4,198	11,660	43,087	9,155	25,800	24,612
1947-48 ..	6,228	13,614	54,983	11,122	40,313	27,094

(1) 1881-95, Calendar years;
1896-1942, Fiscal years ended June 30;
1942-43, Nine months ended March 31;
1944-48, Fiscal years ended March 31.

Right now there are 5,800 miles of roads and trails in Newfoundland: 113 miles of paved road, mostly in or near St. John's, Corner Brook and Grand Falls, with majority of it going around Conception Bay to Carbonear from the capital; 1,620 miles of gravel road, 450 miles of motorable secondary roads, 150 miles of nonmotorable, 3,000 miles of secondary local roads, usually leading nowhere, and 500 miles of settlement connecting trails.

Less than half total mileage is motorable.

Over past few years, road building aimed at the trans-insular highway has been going ahead first. This year the provisional provincial budget allocated $2.6 millions for new road construction and maintenance.

New Roads Planned

Of total expenditure, $1.1 millions is allocated for maintenance of roads and bridges, $150,000 grants to local road committees, $500,000 improvement and reconstruction of roads and bridges, $700,000 construction of new roads and $100,000 for surveys, equipment, tools, etc.

Under present plans, road work this year calls for new construction at Terrenceville towards Marystown which is designed to link up present roads on the Burin Peninsula with the Cabot Highway. About 20 miles of this road remain to be completed.

Second major new road project this year is work on a trans-insular highway link from Halls Bay in Notre Dame Bay towards Hampden in the bottom of White Bay. Besides being part of the trans-insular highway, this road will link roads in the Grand Falls area with those of Corner Brook. The Department of Public Works is being aided in construction here by Anglo-Newfoundland Development Co. and Bowaters Pulp & Paper Mills Ltd. Much of the road will make use of already cut woods roads of the two paper companies.

Under this particular joint operation, 25 miles of new road have been constructed to date and 33 miles remain to be done. Work this year will be from Indian Brook to Hampden.

That's all new road work to be done this year. Remainder of road expenditure goes towards road reconstruction and improvement. Under this program, roads between Chapel Arm and Clarenville, Bishop's Falls towards Botwood, Bishop's Falls toward Grand Falls, Fogo to Tilting, Branch to Point Lance, Belleoram to Wreck Cove, Bonavista to Catalina and Heart's Content towards Old Perlican will have work done on them this summer.

All this work is responsibility of Department of Public Works. In some other areas road work is being planned by town and rural district councils. In areas not big enough to support councils, still more local road work will be done by recently set up road committees.

For Local Roads

By definition, in Newfoundland a local road is one running in, through or around a settlement. Because some of these areas are so isolated, it is not possible for the Department of Public Works to work on them when so much vitally important work has to be done on main highways.

But to speed up work of building local roads, in June, 1943, Commission Government introduced a local roads committee scheme. This sets up local roads committees consisting of not less than three and not more than five appointed members who serve without remuneration. Scheme only applies to small areas without town or district councils.

Committees are entitled to grants computed on basis of $25 per mile of local road or 25c per head of population, with the committee permitted to select whichever basis will be of greater advantage. This is, of course, insufficient to cover costs of construction or maintenance of roads, but scheme envisages acceptance by the people of principle of self-help. Where citizens of settlements are willing to act on such a principle, committee submits to the Department of Public Works a scheme whereby additional expenditure over and above the set limit may be met on a fifty-fifty basis from funds supplied by the department, and funds or free labor contributions supplied by residents of area concerned.

Since this scheme came into operation many miles of local roads which would not be available otherwise have been constructed, over 500 road committees have been formed, and grants to committees from government have increased from $9,145 in 1943-44 to an estimated $150,000 this year.

Even with all the road work done by local road committees, town and district councils and government, Newfoundland is still far behind minimum road mileage needed to open up the province and develop possible natural resources. Because of lack of roads, great sections of the island are still virgin wilderness, and development of large sections of all coasts has been retarded seriously by meagre transportation facilities.

Newfoundlanders are hoping that union with Canada will enable them to improve transportation services. They hope the Federal Government will put the remainder of the trans-insular highway through for them, leaving more money in the till for development of other roads in areas which badly need them. But it will be a long time before Newfoundland has all the roads and other transportation facilities she requires, and until she gets them full development of the new province will be retarded.

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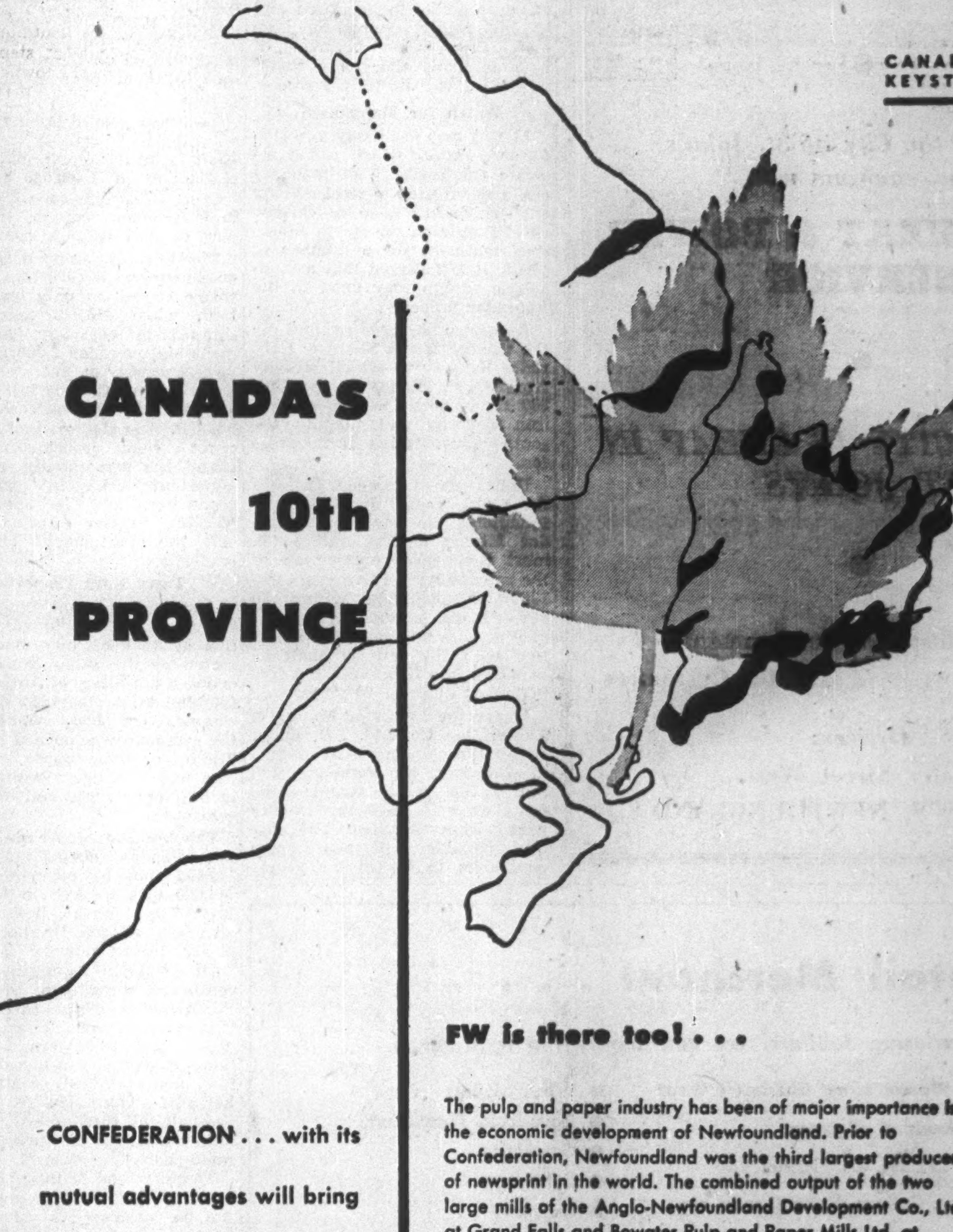

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Pulp and Paper Major Factor in Nfld. Economy

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As Canada's 10th province, one of the most important contributions Newfoundland makes to the Canadian economy is in newsprint production.

Entry of Newfoundland has meant that Canada's newsprint output has been increased by roughly 10%. Or at the present contract price of $100 a ton, Newfoundland newsprint means an increase in the dollar value of Canadian production of about $40 millions.

Last year, Canada produced 4.6 million tons of newsprint and Newfoundland 382,248 tons, or a total of just under five million tons. At the present rate of output, Canada this year, with the help of Newfoundland, will have a production of around 5.1 to 5.2 million tons.

In addition, Newfoundland has a substantial production of marketable pulp, with a total annual capacity of approximately 70,000 tons for this product.

Like Canada, Newfoundland's biggest newsprint market is United States. Total shipments to U. S. in 1948 were 246,537 tons, about 34,000 tons more than the previous year. Virtually all of the balance of 128,237 tons went to United Kingdom.

Big Factor in Island Economy

Pulp and paper has contributed more to the Newfoundland economy than any other single factor. In a little more than two decades it has given pulp and paper workers a higher standard of living than the fishing industry has been able to achieve for the fisherman in centuries. Last year the industry paid out close to $30 millions in wages, gave employment to about 12,000 workers. Grand Falls and Corner Brook, the two pulp and paper towns, have facilities and services not duplicated elsewhere on the Island.

Bowater's Newfoundland Pulp and Paper Mills and Anglo Newfoundland Development Co., Newfoundland's two pulp and paper companies, have big stakes in the country. They own most of the Island's timber resources; Bowater's holdings covering an area of more than 11,230 square miles and those of Anglo Newfoundland 7,442 square miles. It is stated that the total stand on the Bowater limits totals over 20 million cords of pulpwood — enough to supply mill requirements in perpetuity without benefit of reforestration.

Holding these vast timber resources, the future of the industry in the Island rests on the shoulders of these two companies, since there is not sufficient pulpwood available for a new mill. Reports from Newfoundland have indicated the possibility of pulp and paper development based on Labrador timber.

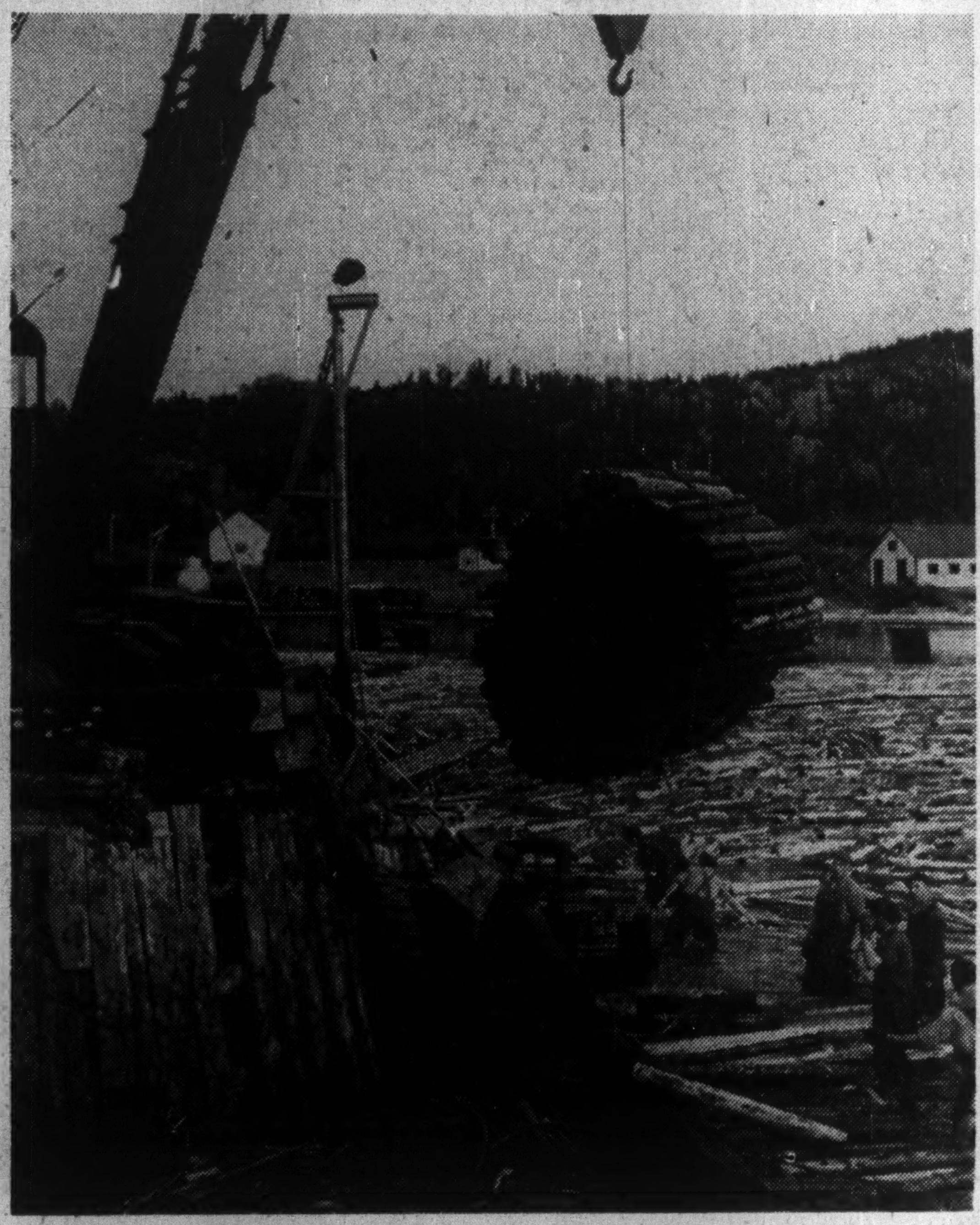
Protecting Forests

During 1948 the Newfoundland Forest Protection Association was remodelled.

For the purposes of forest protection service, the Island has been divided into three sections with the forest patrol of the Department of Natural Resources responsible for the Avalon Peninsula, Anglo-Newfoundland for the middle area and Bowater's the western third. In addition, the paper companies supervise control in their other areas while the Natural Resources department assumes responsibility for coastal areas.

An aerial survey of Labrador timber which was started in 1947 was continued during the summer of 1948 by the Photographic Survey Co. for the Department of Natural Resources. This work was practically completed at the end of last year. Not all the timber areas were surveyed, but the most important of those under Crown lands were covered. Full reports on the survey will be available from the Department of Natural Resources, it is stated.

Anglo - Newfoundland Development Co.



Two-cord bundles of logs are loaded by crane on railway flat cars at Howards Loading Plant for shipment to Bowater's (Newfoundland) Pulp & Paper Mills, Corner Brook. Forestry exports last year accounted for about 40% of total Newfoundland exports. Newsprint led, with fiscal year value of $24.8 millions.

Total production of newsprint, pulp, paper wrappers and other products from Anglo-Newfoundland's pulp and paper mills last year reached 210,804 short tons, an increase of approximately 5,000 tons over the previous year.

The company's sulphite machine operated full time making alternately wrappers and dried sulphite. Practically all the dried sulphite was exported to United Kingdom, with a small quantity going to United States. Wrappers were sold in local markets or used by the mill. Newsprint markets comprised United States, United Kingdom, Central and South America.

Capital expenditure during 1948 amounted to over $1.5 millions and future expenditure approved by the end of the year exceeded $2.7 millions. These amounts were appropriated chiefly in connection with the company's long-term policy to modernize the mill and ancillary equipment and further improve the efficiency of operations.

President E. M. Little states that no material difference in the company's operations is anticipated as a result of Newfoundland becoming the 10th Canadian province. There will be certain changes in the company's internal economy but the gains and losses are expected largely to cancel themselves.

Acquire Gaspesia Sulphite

In 1948 A.N.D. made an offer to the minority shareholders of Gaspesia Sulphite Co. to acquire their holdings on the basis of one share of A.N.D. for one share Gaspesia Sulphite. The offer was accepted by all minority holders and the exchange completed by Dec. 31. Gaspesia Sulphite is now a wholly-owned subsidiary of Anglo-Newfoundland.

Initial steps were taken by the company last year to divest itself of some of the burden of town operating and at the same time give a greater measure of security and responsibility to employees. With certain exceptions, the company-owned dwellings were offered to employee-tenants who showed their approval by taking over 258 by the end of the year. Active studies are continuing to find out what further steps can be taken to make the towns more self-supporting, the president states.

Inventories in the hands of the company continue to rise, Mr. Little states, and by the end of 1948 over $10 millions of working capital was represented by this class of assets. Of this total, about $6 millions was in pulpwood. To a large extent the increase is brought about by higher values and to a lesser degree by larger quantities necessitated by expanding operations.

The truck road building program which has been followed for a number of years was continued in 1948 and the company now has 270 miles of road of this type on its limits of which 33 miles were built last year. In addition it has built 16 miles of the road from South Brook in the direction of Deer Lake which is a joint undertaking between the Government, Bowater's and A.N.D. Ten miles of this road were built in 1948.

Bowater's Newfoundland Pulp & Paper Mills

Bowater's Newfoundland Pulp & Paper Mills owns and operates a newsprint plant, sulphite plant, barking plant and power development at and near Corner Brook, Newfoundland. The company's products are sold for consumption in United States, United Kingdom, and the British Commonwealth.

The Corner Brook mill properties are situated at the mouth of the Humber River on the west coast of Newfoundland and include a newsprint mill having four 234-inch newsprint machines and one 120-inch machine which had an aggregate daily capacity of 665 tons or approximately 210,000 tons per annum. These machines were speeded up to 700 tons per day or about 216,000 tons yearly.

A program of expansion of the company's production capacity was started in 1946 and largely completed last year, at a cost of over $7.5 millions. This program included the speeding up of machines mentioned above and the sulphite pulp mills.

An additional sixth high-speed four-roll newsprint machine with a capacity of 100,000 tons yearly went into operation last year. Completion of this program brings productive capacity of the company to 300,000 tons per year, which is the largest individual newsprint production unit in the world. Capacity of the sulphite pulp mills is now approximately 55,000 tons annually.

Power for the Bowater's mills is provided by a hydro-electric plant at Deer Lake, 31 miles from Corner Brook, with installed capacity of 156,000 hp. The company's existing hydro-electric developments are considered to be sufficient to provide the necessary supplies of additional power and wood that will be required.

Timber holdings of the company cover an area of more than 11,230 square miles, of which 2,240 square miles are freehold and 8,990 are held under Crown licenses. The total stand is estimated at over 20 million cords of pulpwood. Over 8,000 square miles of Crown timber licenses are for 99-year terms from 1938 and the balance is for 50-year terms of which about 42 years

(Continued on page 37)

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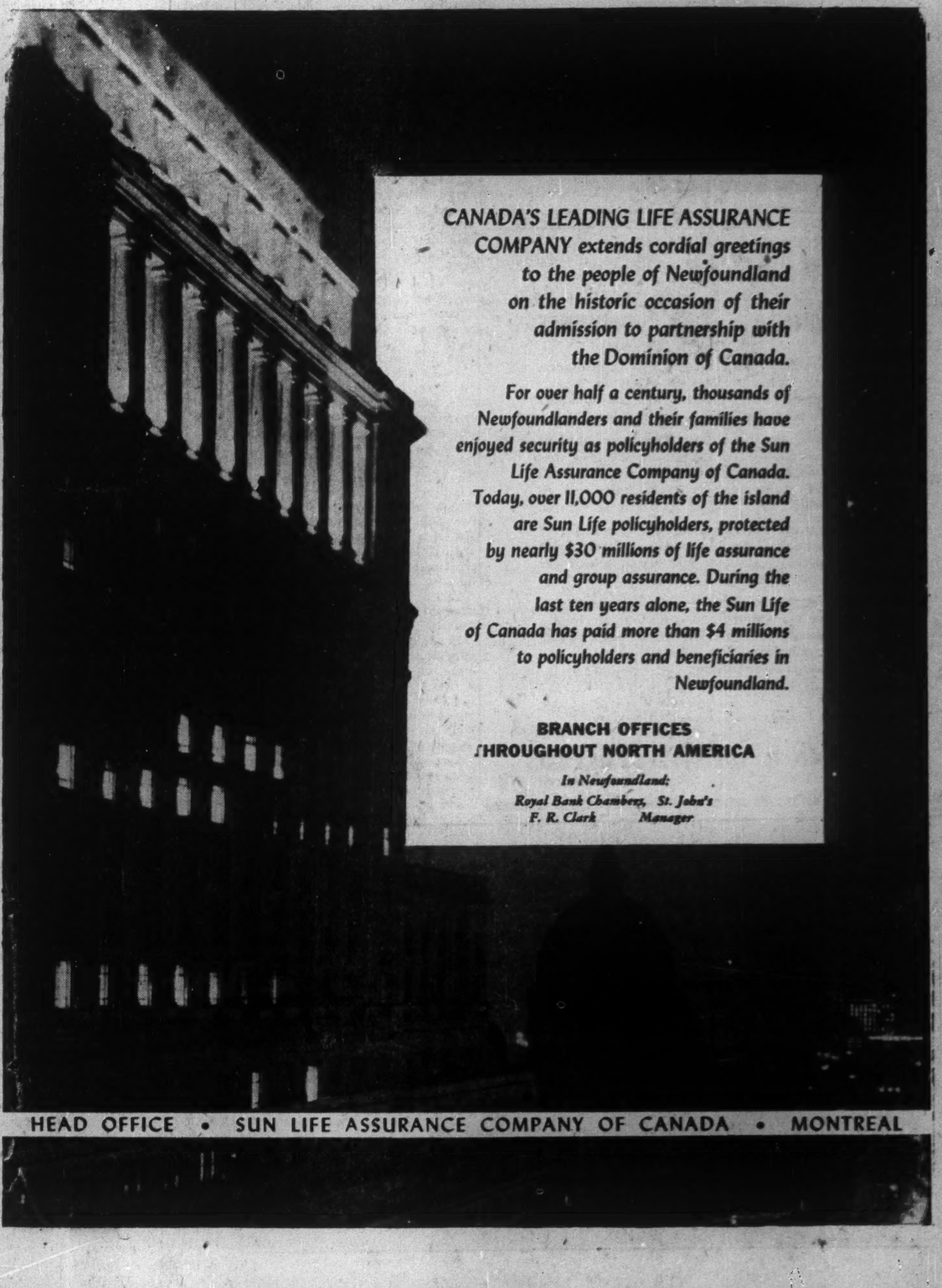

CANADA'S LEADING LIFE ASSURANCE COMPANY *extends cordial greetings to the people of Newfoundland on the historic occasion of their admission to partnership with the Dominion of Canada.*

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$20 Millions More Trade for Canada?

Newfoundland Leader Reports on the End of 'Isolation'

What does Newfoundland as a 10th province mean to Canada, what does union mean to Newfoundland? J. B. McEvoy, K.C., last chairman of the Newfoundland Convention, discussed the broad significances in a speech to the Canadian Club in Montreal recently. Here's a digest of his address:

By J. B. McEVOY

Union with Canada brings to Newfoundland the possibility of realizing itself and of taking its place in a great federation of free and autonomous states. It means Newfoundland's emancipation from the stranglehold of isolation.

While, historically, Newfoundland is the 10th province—and in area about sixth—geographically it may equally well be called the first because it has been described, not inaptly, as "The Gibraltar of the North Atlantic."

The island has an area of 42,000 square miles, exclusive of the 110,000 square miles of Labrador awarded by the Privy Council to Newfoundland in 1927, or, making in all, a combined area of 152,000 square miles. The capital city is St. John's with a population of 60,000 which, I understand, makes it the 13th largest in the Dominion.

Theoretically, the island dominates the two entrances to the Gulf of St. Lawrence, namely, the Strait of Belle Isle, and the Cabot Strait and, therefore, possesses a constant strategic significance. I question whether its importance from the standpoint of defense to both Canada and the United States can be overestimated.

The United States and Canada quickly discovered the importance of Newfoundland as a base of operations in the Second World War. Lord Beaverbrook rightly called the Battle of the Atlantic, "The Battle of Newfoundland." Without Newfoundland as a base for both air and naval operations, it would have been impossible for the Allies to have won the Battle of the Atlantic and, if we had lost that battle we would have lost the war.

From the Canadian standpoint, the most important advantage from a long-range point of view is notably the realization of the vision of The Fathers of Confederation of a great nation stretching from ocean to ocean and including all British North America north of the United States.

With the incorporation of Newfoundland, Canada's eastern frontier is moved 500 miles nearer Europe. About 150,000 square miles is added to Canadian territory and 330,000 people to Canada's population. Canada's position, both as a North American nation and as a North Atlantic power, is undoubtedly enhanced by union.

Strategic Considerations

Strategically, Canada now has much more freedom of manoeuvre on its northeastern frontier. The northeastern air approaches to the heart of the Continent lie over the Island of Newfoundland and Labrador. During the war, defense relations between Newfoundland and Canada were extraordinarily close and satisfactory, but with the close of hostilities Canada withdrew from Newfoundland except from Goose Bay, the hope being with the return of peace a stable Europe might result. But such has not been the case.

In an era when war may suddenly occur, and when either side may attempt a knock-out blow from the air at the outset, outlying defenses for vital industrial areas and large centres of population have become imperative. The United States, of course, has acquired outlying Atlantic bases which are of great importance, for the defense of all North America, but Canada, with union, will find it easier to fulfil her responsibility as a partner in the defense of North America, since it can plan in peacetime for more adequate defenses in the Newfoundland region.

St. John's naval base and Gander, Goose, and Torbay air bases were of primary importance in winning the battle of the Atlantic; they may be no less important in winning the so-called "cold war" in which we are now engaged.

Canada reaps certain indirect economic advantages which, to a considerable extent, offset the financial costs which, at the outset, the Canadian taxpayer has to carry.

J. B. McEVOY

Canadian exports to Newfoundland have mounted to unprecedented heights since the war. Last year Newfoundland imports from Canada reached a total of $55 millions. Removal of the tariff barrier between Newfoundland and Canada undoubtedly means that Newfoundland will turn more to Canada as a base for supply than in the past. It is, of course, difficult to predict what the increase in trade is likely to be, and, in any case, this will depend largely on the price situation generally and on the prosperity of the Newfoundland people.

But assuming the present price level and continued prosperity in Newfoundland, a $20 million, or even $25 million, increase in trade from the rest of Canada to Newfoundland does not appear impossible.

Much of this increase is likely to be in consumers' goods—foodstuffs, textiles, boots and shoes. The farmers of Eastern Canada, particularly Prince Edward Island and the manufacturing centres of the Montreal region are likely to find Newfoundland a more substantial market than hitherto.

On the reciprocal side, the other nine provinces may very well offer potential markets for possible industrial expansion and development of Newfoundland by extension of Canadian industry and the intervention of Canadian capital into the enlarged field.

Some of this increase in supplies from the rest of Canada into Newfoundland is likely to be at the expense of imports from United States, and to that extent it tends to reduce Canada's dollar deficit in trading account with the United States.

There is also the possibility of developments in Newfoundland, and especially in Labrador, which could substantially improve the financial situation. The recent discovery of large high-grade iron ore deposits on the boundary between Quebec and Labrador is well known, and their development within the near future seems probable.

A single large-scale development of this sort should add substantially to the taxable resources of Canada and thus lessen indirectly the costs of union to the Canadian Treasury. Moreover, Labrador is, as yet, largely unexplored, while the geological exploration of Newfoundland itself is far from complete. Who knows what other mineral discoveries will yet be made in this vast territory?

Hard-Working, Kindly

An important asset which the 10th province brings into Confederation is 330,000 people of French, English, Scottish, and Irish descent. They are a God-fearing, hard-working, kindly people and they are pre-eminently a sea-minded people—by reason of necessity. For most of my countrymen the sea has been their means of livelihood and for all of us, our highway to the world outside.

Canada is already a great ocean trader, and a naval power. Union inevitably makes Canada a greater maritime trader and a greater naval power, and it is a safe prediction that Newfoundland will supply a steady stream of sailors for the Merchant Marine and the Royal Canadian Navy.

The three main industries in Newfoundland are Mining, Pulp and Paper and Fisheries.

At Bell Island, approximately 14 miles from St. Johns, is an iron ore mine from which, during the past 50 years, Dominion Iron & Steel Co., which owns and operates the mine, has shipped abroad about 46 million tons of good quality ore, about half of which went to Sydney, N.S., for the use of the steel plant there, and the remainder to England, United States, Germany and Belgium.

The deposit cannot possibly be exhausted for many years to come. With Newfoundland a province of Canada, with the large ore body already being operated at Bell Island, and, should the Labrador deposits prove as extensive as now predicted, Canada may well become as famous for its iron ore deposits as it now is for its nickel and uranium.

In the interior of the island, some 347 miles from St. John's is Buchan's Mine, which was of great assistance to the Allies during the recent war because of its zinc and copper deposits. It is presently rated as the third largest zinc and copper mine in the British Empire—the two larger deposits being at Trail in Canada and Mount Isa in Australia.

The pulp and paper industry consists of two large mills—one at Grand Falls in the interior of the Island, owned and operated by Anglo-Newfoundland Development Co. Ltd., which produces 600 tons of newsprint per day. The other mill is at Corner Brook on the western side of the Island and is owned and operated by Bowater's (Newfoundland) Pulp and Paper Mills, Ltd. This mill has recently added a new paper machine which steps up its output by 100,000 tons of newsprint annually, so that its daily production has now become 1,000 tons per day and it is reputed to be one of the largest of its kind in the world.

Fishing Main Industry

The main industry is the Fishing industry, in which approximately one-third of the Island's population is directly or indirectly engaged.

Recently I heard the chairman of the Newfoundland Fisheries Board state that with Newfoundland in Union, the enlarged Canada has "the greatest fishing potential in the world." Undoubtedly the Atlantic Fisheries interests will, as time goes on, be more influential politically than hitherto at Ottawa.

From the mutually advantageous standpoint, there is much to be said. In natural wealth, no one today can state positively where the new province will stand among the Canadian provinces, since the Newfoundland resources are largely undeveloped. If, however, the expectations of today become the realizations of tomorrow, it may very well be that the Island's present wealth is but a fraction of what it can yet become.

I wonder if we fully realize the importance of federation of the provinces of British North America and appreciate how much their present prosperity depends upon that federation?

Before Confederation, Upper and Lower Canada struggled along separately. The upper Provinces had failed in the construction of the Welland Canal, and Lower Canada was unable to complete the railways it had undertaken to build. Within 10 years from the date of Union, both enterprises had been completed and a continuous transportation service was established between the Great Lakes and the Ocean. Consolidation of the public funds of the provinces has permitted the establishment of great transcontinental railways and development of Canada on a scale which could never have been accomplished had the provinces gone their several ways out of the union.

Truly Canada has proved that "unity is strength" while Newfoundland, on the other hand, has equally demonstrated the weakness of "isolation." As one authority put it:

"Compared with Canada, Newfoundland had a start of 300 years as a colony of Britain. But the rate of progress has not been proportionate to its age; indeed this antiquity has rather proved to be a handicap, for the first offspring of the great mother of colonies has had to suffer consequences due to the inexperience of the parent.

"The happy circumstances of the younger members of the family are due mainly to lessons learned from parental errors in the management of the elder-born."

Please examine carefully a map of the northern part of this Continent. Look first at the West Coastline of Canada and you will find your West Coast, to a great extent, shut off by Alaska and its panhandle, which extends a long way down the Canadian coast. True, Alaska is held by a very friendly power but nevertheless a foreign power.

Then take a look at the Eastern Coast, and especially at the location of Newfoundland, which Sir David Kirk called "The key to the Gulf of St. Lawrence." Look also at Newfoundland-Labrador which borders on this great industrial province of Quebec, and then imagine, if you will, some foreign power in control of Newfoundland and Labrador. Then ask yourself this question—could Canada, hemmed in as it then would be in its approaches from the sea on both its coasts, be defended as exigencies may from time to time require?

In 1864, that great Newfoundlander, Sir Ambrose Shea, said: "The Island had what Canada required and wanted what Canada furnished." I think time has completely vindicated Shea and that Union will enable Canada to hold up its head even higher as a nation. The prestige of Canada in the eyes of the world will be greatly enhanced, not so much, perhaps, by the fact of Union as the manner in which it was brought about.

In these days when acquisition of territory is generally accomplished by force of arms and conquest, the salutary effect of the happy manner in which the terms of union were worked out between the representatives of the two countries around the Conference Table will not be lost, I trust, upon present and future generations.

45% Under 20 in Nfld.

Population by Quinquennial Age Groups, 1945
(Source: Newfoundland Censuses)

Age Groups	Number		Percentage	
	Male	Female	Male	Female
All Ages	164,595	157,224	100.0	100.0
0- 4	21,524	20,948	13.1	13.3
5- 9	18,112	17,889	11.0	11.4
10-14	16,491	16,273	10.0	10.4
15-19	16,321	16,369	9.9	10.4
20-24	14,384	14,055	8.7	8.9
25-29	13,281	12,426	8.1	7.9
30-34	11,894	10,925	7.2	6.9
35-39	10,136	8,843	6.1	5.6
40-44	7,689	7,175	4.7	4.6
45-49	7,044	6,918	4.3	4.4
50-54	6,359	6,108	3.9	3.9
55-59	5,628	4,949	3.4	3.1
60-64	5,045	4,498	3.1	2.9
65-69	4,234	3,705	2.6	2.4
70-74	2,965	2,697	1.8	1.7
75-79	1,931	1,783	1.2	1.1
80-84	848	930	0.5	0.6
85-89	397	419	0.2	0.3
90-94	89	94	0.1	0.1
95-	20	23	......	......
Not stated	203	197	0.1	0.1

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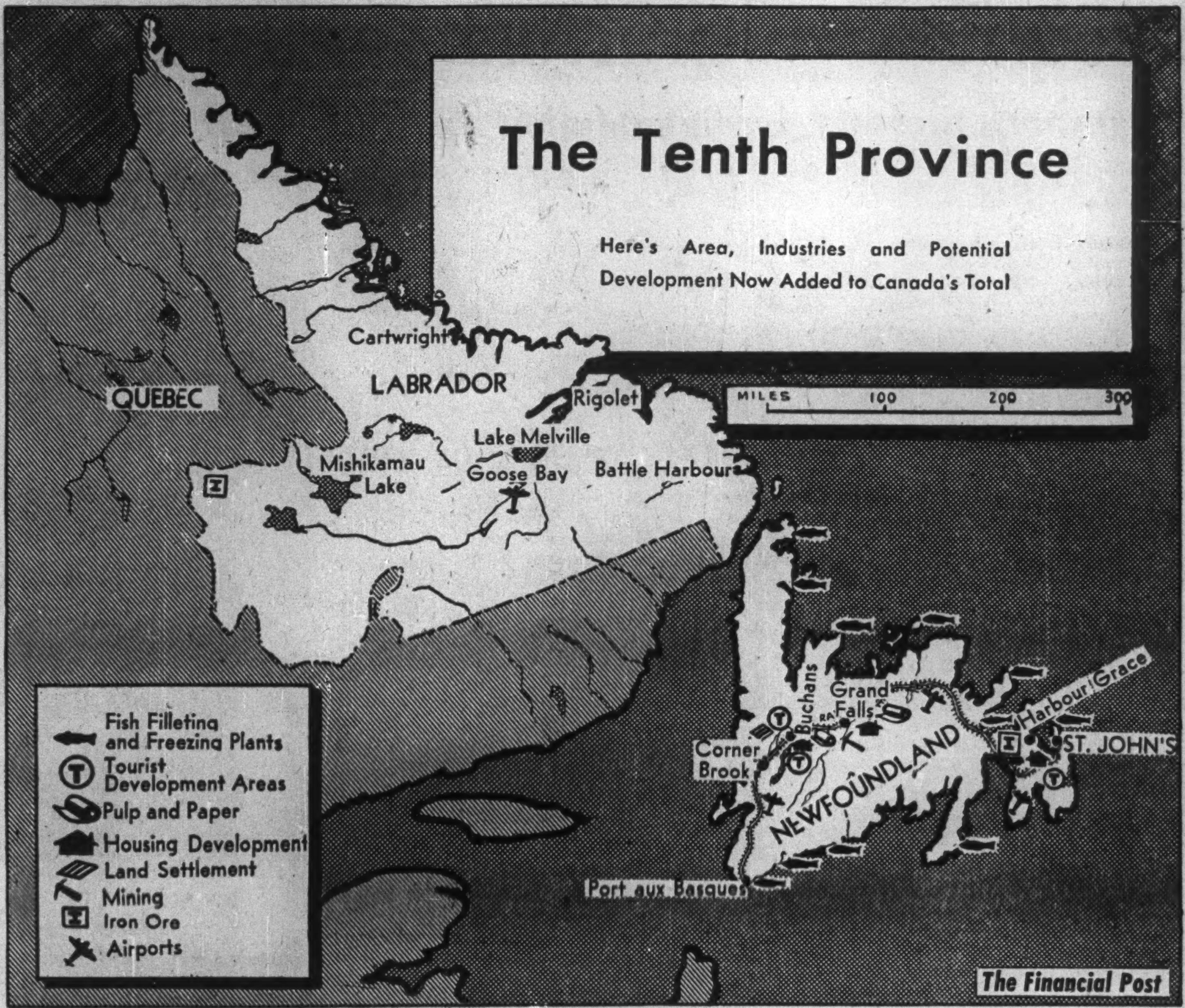

The Tenth Province

Here's Area, Industries and Potential Development Now Added to Canada's Total

The Financial Post

Grand Falls, Town of 5,000 Built Around Pulp and Paper

Grand Falls is the company town of Anglo-Newfoundland Development Co. with a population of about 5,000. The company itself was formed early in this century by the Harmsworth brothers, Lord Northcliffe and Lord Rothermere, to develop the water power and timber resources of the Exploits Valley to provide a constant supply of newsprint for the London (Eng.) Daily Mail and their other newspapers.

MR. GRUCHY

In A.N.D.'s balance sheet, the cost of its mills, buildings, plant and machinery, etc. is shown at $14.6 millions. Town properties and utilities had a cost value of $1.9 millions. This was decrease from the previous year's figure of $2.2 millions. President E. M. Little stated that in 1948 the company changed its policy towards its townsites. Initial steps were taken to divest itself of some of the burden of town operating and at the same time give a measure of security and responsibility to the employees. With certain exceptions, the company-owned dwellings were offered to employee-tenants and 258 were sold. The company is actively studying further steps which can be taken to make the town more self-supporting.

In 1948, the company introduced a plan whereby employees wishing to build their own homes would be given assistance in the form of a cash loan with interest fixed at 3%. In addition, the ex-servicemen's housing association has completed 15 houses, on a newly opened street. The company has undertaken to extend water, sewer, and fire mains, electrical and telephone lines together with the construction of a paved road. It is estimated that an outlay of several thousand dollars will be required to complete these services.

All services in the town are provided by A.N.D. A swimming pool and library are among the recreational and educational facilities available and last year a new ice stadium was opened. The town has a high school with an enrolment of about 200 and two elementary schools, the Grand Falls Academy and Notre Dame Academy. A 20-bed hospital is of the cottage hospital type and has a staff of three doctors, five nurses and a number of aides.

Philip Gruchy, general manager of A.N.D. was one of the representatives of Newfoundland to the Ottawa Delegation set up by the Governor-in-Commission to negotiate terms of confederation. The company feels that no material difference is anticipated in its operations following the entry of Newfoundland as the 10th province.

Where Islanders Live

Population, Settlements of 1,000 and Over
(Source: Newfoundland Censuses)

Settlement	1935	1945
Newfoundland	289,588	321,819
Bay Roberts	1,911	1,301
Bell Island	6,157	8,171
Bishop's Falls	1,882	2,522
Blackhead Road	727	1,116
Bonavista	4,022	1,401
Botwood	1,090	2,744
Buchans	1,104	1,395
Carbonear	3,367	3,472
Channel	1,212	1,297
Corner Brook	6,374	8,711
Curling	981	1,264
Deer Lake	1,227	1,927
Fogo	1,164	1,176
Grand Bank	2,209	2,329
Grand Falls	4,244	4,552
Great St. Lawrence	832	1,251
Harbour Grace	2,215	2,065
Humbermouth	1,248	1,914
Norris Arm	729	1,022
Pouch Cove	1,095	1,088
Spaniard's Bay	1,221	1,239
St. John's City	39,886	44,603
Torbay	1,523	1,422
Upper Island Cove	942	1,080
Victoria	1,004	1,099
Windsor	1,447	2,772

Newfoundland's Housing

Dwellings and Families, 1857 - 1945
(Source: Newfoundland Censuses)

Census Year	Population	Total Occupied Dwellings	Average No. of Persons per Dwelling	Total Families	Average No. of Persons per Family
1857	124,288	18,364	6.8		
1869	146,536	23,177	6.3		
1874	161,374	24,050	6.7		
1884	197,335	31,476	6.3		
1891	202,040	34,016	5.9		
1901	220,984	39,419	5.6		
1911	242,619	45,582	5.3	49,178	
1921	263,033	48,892	5.4	53,848	4.9
1935	289,588	54,198	5.3	60,569	4.7
1945 (1)	321,819	62,418 (2)	5.2	68,000	4.1

(1) Preliminary. (2) Includes hotel and institutional dwellings.

T. B. Deaths Above Canada Below in Heart, Cancer

Death Rates per 100,000 Population from Selected Causes
Newfoundland and Canada, Calendar Year 1946
(Sources: Registrar, Newfoundland and Dominion Bureau of Statistics)

Causes of Death	Nfld.	Canada
Tuberculosis	121.9	47.4
Cancer	84.3	120.2
Puerperal causes	8.2	4.8
Congenital malformations and diseases peculiar to the first year of life	136.5	76.5
Intracranial lesions of vascular origin	65.2	77.2
Diseases of the heart	87.9	243.1
Diarrhoea	37.3	15.2
Nephritis	20.0	55.5
Senility	98.2	12.9
Accidental or violent deaths	68.8	66.7
Influenza, bronchitis and pneumonia	96.4	62.2

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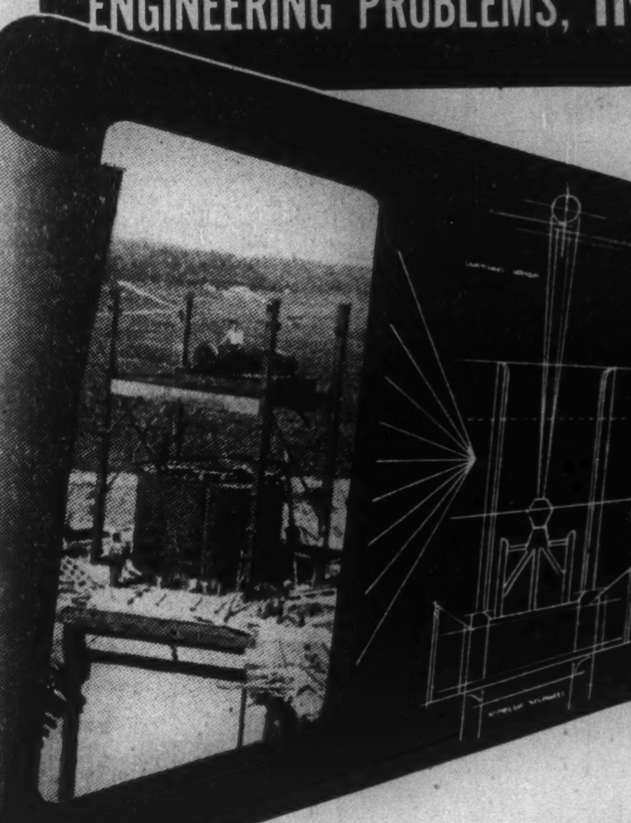

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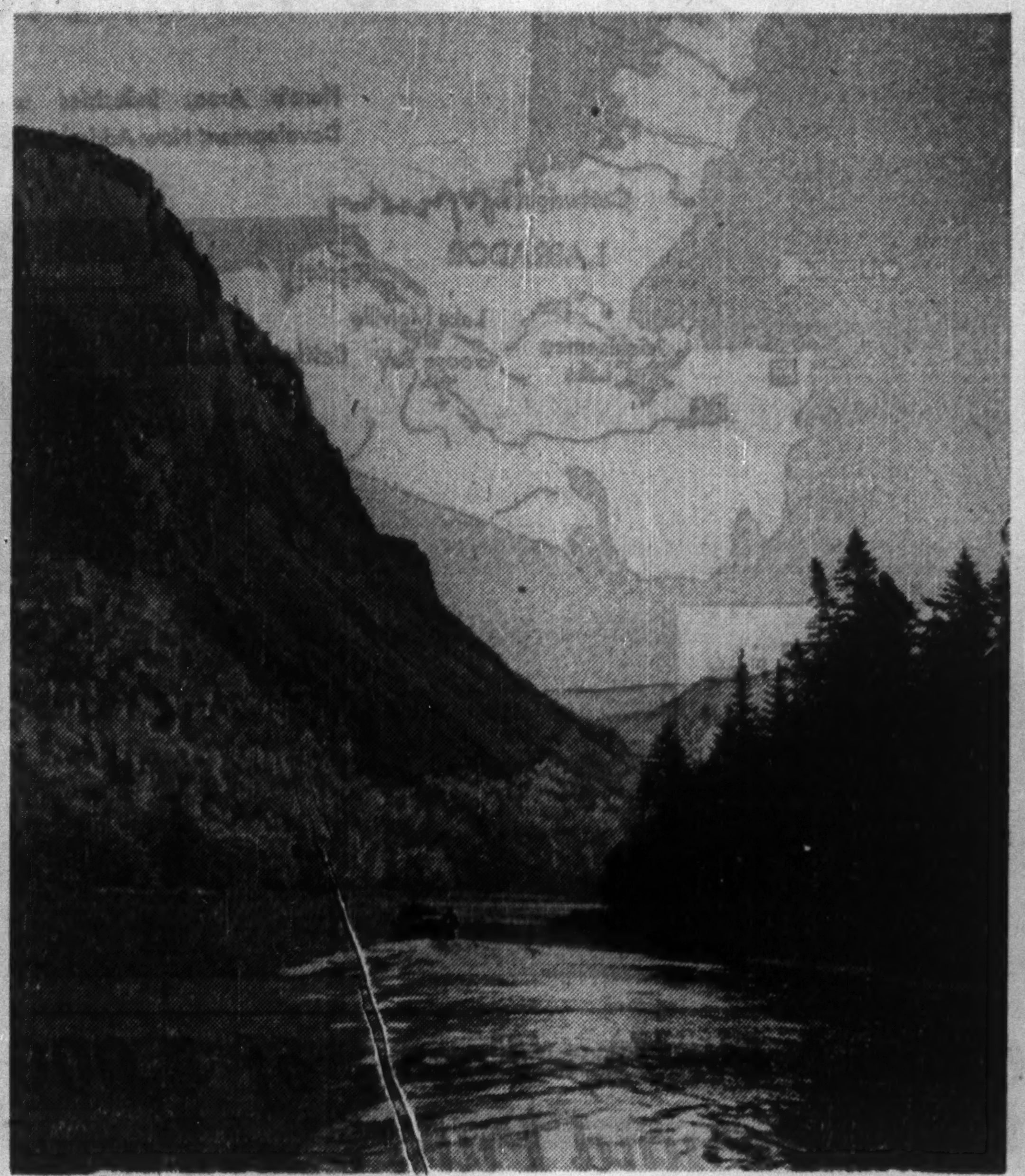
Room for Growth in Nfld. Tourist Trade

Transportation and Accommodation Are Current Handicaps



In contrast to the wave-washed, bold Newfoundland coastline is the grandeur of fish-filled inland streams, potential sources of tourist business, as on the Lower Humber River on the West Coast. Accessibility and accommodation are the major handicaps to greater development of the tourist trade.

Newfoundland's first provincial government faces this problem: What to do about the tourist business?

Newfoundland has just about everything the tourist wants — scenery, fishing, hunting, boating. But there are two deficiencies, accommodation and transportation.

Thousands of visitors have sampled Newfoundland's many attractions, but the tourist business is still not nearly as big as many Newfoundlanders think it could be. Every month the Newfoundland Tourist Bureau handles hundreds of enquiries from prospective Canadian and United States visitors. Bureau workers often wish the Island had the accommodation to permit them to extend an unlimited welcome.

Before looking at the economics of tourism in Newfoundland, here's what the Island has to offer.

One of the best holiday spots is on the West Coast at Lomond, 30 miles from Deer Lake and 60 miles by road from Corner Brook. Lomond has easy access to the northern rivers with their excellent salmon fishing and good grilse and trout fishing in its own river. Tuna and swordfish come deep into the bay and tomcod are found in abundance.

Peninsula Motor Trip

Another tourist package which Newfoundland offers is a motor trip from St. John's through the Avalon Peninsula. One tour called the "marine drive" takes three and one half hours and touches at a number of interesting locations such as Cabot Tower, Fort Pepperell, U. S. Army base; fishing villages with their long flakes for drying codfish, etc. Another such tour is a 50-mile drive to Brigus which takes visitors to Conception Bay and Bell Island, Newfoundland's great iron-producing area.

The Newfoundland Railway also operates an Island boat trip during which passengers have the opportunity of calling at several of the fishing coves along the coast.

With unparalleled tourist attractions, Newfoundland has not yet developed an over-all, coordinated plan to promote the tourist business. Some promotional work in the form of advertising has been undertaken but basis of any tourist business, i.e. accommodation and service, has been largely neglected. Thus the first provincial government will have a wide-open field in which to work out a tourist development plan.

Actually the lack of fishing and hunting camps affords Newfoundland's fish and game more protection than the country's fish and game laws. A few individuals operate fishing camps, but there are not nearly enough to handle the tourist potential. Also, there is virtually no tourist accommodation which could be classed as "luxury," as the term is applied in United States and Canada.

Roads Needed

Lack of roads also makes transportation difficult. While Newfoundland is only five hours flying time from New York, it takes twice that long to get to the West Coast tourist areas by train. Only in the Avalon Peninsula at the Eastern end of the Island do roads offer the tourist a rapid means of transportation either for pleasure driving or for traveling to and from fishing grounds.

Many Newfoundlanders are of the opinion that unless their government provides the necessary leadership either by initiating or backing an over-all tourist program, the end result will be that nothing at all is accomplished.

It is perhaps too easy, however, to suggest that the government should spend large sums on developing and promoting the tourist trade. An important consideration is the return on the investment; another question is whether Newfoundlanders will individually back the expenditures with a comparable effort in providing accommodation, service, etc.

Also, there are the hard facts of geography to be faced. Newfoundlanders naturally enough look at Nova Scotia, New Brunswick and Prince Edward Island and the millions of dollars which tourists bring into these provinces. Actually the conditions there are not strictly comparable.

To begin with, all three have hundreds of miles of roads. Also important is the fact that one of them—New Brunswick—is contiguous to United States. Even P.E.I. is somewhat better off than Newfoundland since a car ferry operates between the Island and New Brunswick. Also on the mainland by far the greatest percentage of tourists arrive by automobile; and conversely most Canadians drive to United States.

Tourists by Air

This does not mean that Newfoundland has been or will be by-passed by the tourist. Possessing one of the busiest airports in the world, it is inconceivable that Newfoundland will not attract many hundreds of holiday visitors.

It does indicate, however, that the country is not at present in a position to tap the mass tourist market. It cannot count on the casual visitor—the one who takes the family on a motor trip for a holiday. Thus it appears doubtful if the Island can expect any great volume of tourists. It is expected, however, that as a 10th Canadian province its position will be considerably improved. Fellow Canadians will now want to visit the newest province and in addition Federal Government tourist promotion in United States will benefit Newfoundland.

But geographically and otherwise, Newfoundland is probably better suited to the Bermuda-type tourist rather than the average American holidayer. Transportation costs, both by plane and train, would possibly deter the week-end tourist but are quite within the reach of the New York, Boston executive, by plane, either for an extended week end or long holiday.

This factor is likely to influence a Newfoundland Government tourist program. It is doubtful whether the road building program could be rushed to completion on the basis of the tourist industry alone. By themselves, roads would not provide much incentive to the prospective visitor if there were no means of transporting his car to the Island. At present water transportation can handle only about half a dozen cars per trip from the mainland.

A car-ferry or a combination car and rail ferry similar to that operating between P.E.I. and the mainland would provide one solution to this problem. Whether the Canadian National Railway and the Dominion Government will give this proposal consideration is not yet known.

Accommodation Problem

The first requirement for a bigger and better tourist business in Newfoundland is more and better accommodation. If, as seems likely, Newfoundland's greatest hope is the business executive, the luxury traveler, the moneyed sportsman, more luxury accommodation is essential. And more than one observer believes, that this is one job for private enterprise.

Others say that the government should set a standard of service by building model camps at strategic points around the Island. Those who favor this approach say that while certain tourist hostels may not be individually profitable, the indirect return to the country would warrant government subsidy.

One of the biggest investments in the tourist business has been made by Lee Wulff of Shushan, N.Y. Wulff has organized a number of fishing camps on the more remote rivers of Newfoundland. Accommodation is provided in cabins or large tents built on wooden floors and frames with built-in bunks. Lightweight, down-filled sleeping bags with flannel sheets are provided on the bunks. There is a guide for each angler and a cook is employed at camps where three or more fishermen stay.

In addition to these camps, which are designed primarily for the more rugged sportsman, Wulff also operates Killdevil Lodge at Lomond on the shores of Bonne Bay, about 60 miles from Corner Brook. Killdevil and its cabin group is equipped for greater comfort and a few of the amenities. Bedrooms are large and airy and there is a games room for dancing and indoor sports.

Another man in the tourist business is P. R. Doucette of Corner Brook. At Serpentine Lake and River, approximately 15 miles west of Corner Brook, Mr. Doucette operates a fishing camp. The main camp on the western end of the lake is furnished with comfortable beds and a cook is employed.

In addition to these privately owned camps, there are five government-owned camps on the Upper Humber in the vicinity of Corner Brook.

Favor Local Air Service

Tourist experts think that some improvement could also be made in transportation. Since the Island has few roads a regular local air service should be provided, they say. Air travel in the summer months in Newfoundland is an ideal mode of transportation either by amphibian or land plane. With most plane travelers arriving either at Gander or Torbay airports, an efficient plane service for tourists would radiate from either one or both of these ports, it is claimed. Also since many of the tourist areas are located on the West Coast, Newfoundlanders say that a landing strip is a "must" for this area.

For the tourist who likes neither hunting nor fishing, it has been suggested that something in the nature of luxury boat travel provide an added attraction. At present Newfoundland's railway operates an Island boat trip. A luxury edition of this might be highly successful.

What all this adds up to is that the country needs an over-all tourist plan. Whether or not the government provides financial assistance to implement it, they feel that it should take the lead in its formulation. Also it should be the government's job to set and maintain standards of service and sanitation.

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Strengthens Dominion Stand on Industry's Problems

By HOWARD GAMBLE

With the addition of Newfoundland as a 10th province, Canada has now moved up to the top ranks in the world's fishing business.

The Island's important fisheries, particularly the cod fisheries, have added 50% to the total Canadian catch and have doubled the volume of Canadian output on the Atlantic Coast. Just as important, Canada can now speak with a strong voice in world discussions on fisheries matters on behalf of Newfoundland and the other provinces.

Production of salt codfish in Newfoundland for 1948 was about 226,000 quintals (quintal = 112 lb.) below the 1,166,929 salted in 1947, the largest quantity processed during the past five years. Bad weather during June and July, which hindered fishing and caused considerable damage to equipment and property and a shortage of bait during the latter part of the season caused this decline.

An improvement in the market for frozen cod was shown, with some 12.4 million pounds of fillets being shipped up to Sept. 30, 1948, compared with 8.5 million pounds in the same period in the preceding year. Demand for cod oil for industrial use was reduced to some extent and although prices remained at a high level production was not large. Medicinal cod liver oil continued to sell at approximately $3 per gallon and it is expected that all the oil extracted will be sold.

Partial Failure in Herring

Despite early indications of a successful herring fishery, a partial failure prevented the complete filling of contracts. United States Army purchases for European relief were originally set at 200,000 barrels, of which only 109,600 were delivered at a value of $1.5 millions. A New York company which contracted for 18,000 barrels of Scotch cure herring only received about half this amount. Total exports of herring for 1947/48 were valued at $2.2 millions.

As a result of conservation measures imposed several years ago, a marked increase in the annual lobster catch has been shown. Statistics for the fiscal year 1947/48 indicated that the revenue from the export of 3.2 million lb. of fresh and live lobster and 166,127 lb. of preserved lobster amounted to $856,273.

Air freight is being used to a greater extent in delivering the live lobsters to the markets. Shipments of fresh and frozen salmon during the first 10 months of 1948 totaled 2.2 million lb. The total catch for the year was estimated at 2.5 million lb., with prices paid to fishermen ranging from 15 cents to 20 cents a pound. Sealing and whaling operations were carried on successfully during the year, with good markets for the products of these two industries.

The Newfoundland Associated Fish Exporters continued to act as co-ordinator for all export marketing of salt codfish. Contracts were made for all stocks on hand, at prices which were higher than those paid in 1947.

Fish Marketing Operations

The constitutional validity of the Newfoundland marketing legislation and its effect on Maritimes operations is a matter of some controversy in certain quarters. It is argued that with the exception of some of the clauses for licensing dealers, the Newfoundland legislation is intra vires the Federal Government since it deals primarily with exports.

But the Newfoundland marketing monopoly has been operating successfully for a number of years, and Newfoundland fishery interests can point to several important results which combined marketing has achieved. In any case, present plans call for easing present Newfoundland fishery arrangements into the Confederation pattern over a period of years. The Newfoundland Fisheries Board, the governing fisheries body in Newfoundland, is to continue for five years.

Ray Gushue, who has been its chairman since inception, will continue in that capacity and now reports directly to the Department of Fisheries in Ottawa. There is a provision that any Newfoundland fishery law existing at the time of Confederation may be repealed at any time within the five-year period with the consent of the Newfoundland Provincial Government. Mr. Gushue, as chairman of the Newfoundland Fisheries Board, is chief supervisor and chief inspector of the Federal Department of fisheries.

Bring Order to Industry

While some criticism may be levelled at the Newfoundland Fisheries setup, particularly its monopolistic aspects, it cannot be well merited unless it takes into consideration the whole history of the Island's fisheries. The fishing industry has always formed the backbone of Newfoundland's economy and it has not done particularly well at raising the fisherman's standard of living. This factor in itself raised the question of what could be done to improve the fisheries.

There is virtually no one who will gainsay the fact that the Newfoundland Fisheries Board under the able chairmanship of Ray Gushue has brought order out of chaos in the fishing industry. From a fiercely competitive, every-man-for-himself type of operation the Board introduced and maintained a broad program of orderly marketing, high standards of quality, and greater diversification in the production of fishery products.

And because of the marked improvements which the Fisheries Board has effected, Newfoundlanders do not want to see it dissolved under a new form of government. Neither would many welcome the abolition of the combined marketing system. Some of the history and thinking which lead to the combined marketing of fish in Newfoundland is described by Mr. Gushue as follows:

In the fall of 1944, under the auspices of the Newfoundland Fisheries Board, a subcommittee of the Board and the Marketing Administration Committee was set up to prepare a review of Newfoundland's Salt codfish trade and make recommendations on postwar marketing. This committee reported in February, 1946.

Pool Marketing Plan

It was later agreed that the Marketing Administration Committee should prepare for the consideration of the salt codfish trade, a pool marketing plan, in which not only would all marketing be merged in one export unit, but also that pooling of returns would be provided for.

During the years 1943-46, both aims had virtually been achieved, since in the Combined Food Board plan, uniform price schedules, setting agreed prices for the same type of fish to all markets, were included.

It was felt that if the trade were to revert to the individual group system as it obtained prewar, in which not all exporters were members of all groups, and declarations to any one group was at the option of the member, the best interests of the industry might not be served.

The wartime conditions of excess of demand over supply could not be expected to continue indefinitely. Nor could exact similarity of returns from all markets.

Quite conceivably, if it were left to the individual to declare stocks, quantities for one market might be overdeclared and, for another, underdeclared. This might lead to undesirable fluctuations of stocks in markets and to unnecessary carrying-over of fish through and at the end of the season. On the other hand, the existence of a single exporting unit alone would not meet the situation, since by reasons of location or transportation fish from one area might be designated for market A at more favorabe returns than fish from another area for market B. The policy of pooling of returns was therefore adopted.

Based on Other Plans

The plan as presented to the Salt Codfish Association was the result of examination and analysis of the operation of a large number of pools in various parts of the world. In May of 1947 the plan was put before a largely attended series of meetings of exporters from all over the country, and was approved by an overwhelming majority. Subsequently, with some adjustments, Government approval was indicated.

The Newfoundland Associated Fish Exporters Ltd. has the advantage of a solid core of trained personnel, made thoroughly familiar by experience with the details of group marketing.

It is open to all licensed exporters who pay the fee and undertake to abide by the rules of the Company.

It is anticipated that not all licensed exporters will join, but that some will associate themselves on agreed terms with a member.

This has been the case with group membership in the past. Operating funds of the Company will be provided by the membership fee and an ingeniously devised revolving fund, which will tend to keep contributions as nearly as possible in accord with activity of members, and provide for payment back of contributions and substitution of current ones as years go by.

Separate pools will be administered for the several distinct branches of the fishery, with accounting periods spaced to provide for as prompt closing off of accounts and returns to members as possible.

How Board Works

The Newfoundland Fisheries Board will continue to issue annual exporters' licenses to exporters whose premises and scale of activity warrant it. Only licensed exporters are admissible to membership in the Group.

The Board will undertake that export permits for salt codfish will be issued only to the Group.

Inspection for export will be compulsory and will be administered by the Board.

The charter of the Group provides that the Chairman of the Newfoundland Fisheries Board or an alternate will attend all meetings of directors.

The Board maintains representatives in the principal foreign markets, and keeps itself informed about conditions in both producing and consuming countries. This service will be readily available to the directors of the Group. It will thus be seen that the setup provides for close and ready liaison between Government and Industry.

Nfld. Fishery Exports

Exports of Fishery Products, Fiscal Years, (1) 1938-48
(Source: Newfoundland Customs Returns)

Year	Salted Codfish ($000)	Other Fishery Products ($000)	Total Fishery Exports ($000)	Salted Codfish as % of All Fishery Exports p.c.
1938	4,734	2,719	7,453	63.5
1939	5,318	2,121	7,439	71.5
1940	5,072	3,028	8,100	62.6
1941	6,292	3,443	9,735	64.6
1942	8,845	3,811	12,656	69.9
1943 (2)	9,257	2,800	12,057	76.8
1944	12,218	6,268	18,486	66.1
1945	12,447	9,422	21,869	56.9
1946	16,375	13,322	29,697	55.1
1947	15,659	15,671	31,000	50.5
1948	16,405	12,953	29,000	56.6

(1) Fiscal years ending June 30, 1938-42, thereafter ending March 31.
(2) Nine months ending March 31.

The creation of N.A.F.E.L. is the culmination of 10 years of planning and experience in Newfoundland in group marketing. During these years the co-operative marketing group system has had a thorough testing, and the action of the fish trade indicates that it has proven itself to them as indeed it has to the whole country.

Its effects on the returns to the primary producer should always be beneficial, since the strength engendered by combined marketing must make itself felt throughout the whole industry.

Currency Deal

Temporarily to bridge its difficulties of obtaining "hard" currency to pay its bills, Newfoundland made an agreement with U. K. whereby cod can be sold in Portugal for sterling and the sterling converted into dollars against the Newfoundland sterling loan. This concession has been extended for 1949.

On the basis of 1948 exports this concession was worth about $3.5 millions to Newfoundland fishermen. That sum represents amount put up to make an otherwise inconvertible currency convertible. Also, Newfoundland has received substantial "off-shore" authorizations under ECA and similar U. S. programs. Shipments of fish to Greece and Italy last year were underwritten to the extent of about $6 millions by ECA and similar programs.

Over the long-term, however, the benefits accruing to Newfoundland as a 10th province are likely to become more evident. Just this year, for example, Charles E. Jackson, general manager of National Fisheries Institute, Washington, warned the Fisheries Council of Canada that U. S. fish interests were absolutely determined to upset the Geneva Agreement by invoking the escape clause in order to get a quota limitation of 43 million pounds against fresh and frozen ground fillets.

An alternative concession offered by New England interest would cut imports back to 24% of U. S. consumption.

If this quota were imposed by United States, it could mean a drastic cutback in Canadian fish exports to that country. Last year Canada and Newfoundland shipped about 50 million pounds of ground fish fillet items to United States; and U. S. business meant about $10 millions. In addition, Iceland shipped about three million pounds. Under the lower quota Canada, including Newfoundland, would have to share 43 million pounds with all other fish producers. And even if this country were able to sell the entire quota, it would still mean a decline of almost 10% from the 1949 figure.

Fisherman's Income

There is little question that much still remains to be done in strengthening Newfoundland fisheries. Even with today's high fish prices, the fisherman is certainly not in the higher income bracket. Putting the 1947-48 export value of fishery products at the round figure of $29 millions and the number of fishermen at 28,000, the export value per fisherman would amount to little more than $1,000, or a share of total production value estimated at about $1,400.

Few fishermen would complain if this sum represented their annual income. The fact is, however, that the Newfoundland inshore fisherman makes just about half this amount a year. One reason, of course, is that the export value includes not only the price paid to the fisherman but the exporter's markup, marketing costs, etc.

Also, the total export value of fishery products includes not only dried cod—the biggest single item—but frozen cod fillets, herring, cod-liver oil and all the various types of fish and fish products. Since the majority of fishermen sell dried cod only it means they do not benefit from the sale of these other products.

On the basis of the industry today compared to that of 12 years ago, Newfoundlanders are quick to admit that the Fisheries Board policies have worked a vast improvement. From the standpoint of the average Newfoundland fisherman, however, it appears that a still greater metamorphosis must take place.

But in the final analysis any steps taken to improve the fishing industry in Newfoundland can have only a limited effect on the fishing industry. Newfoundland fish is sold on world markets and the industry is affected by world trading conditions.

It is in this connection that Newfoundland is likely to benefit most as a part of Canada, since it is now a part of a much larger trading unit. Right now the real problem of the Newfoundland fisheries is a dollar problem.

Canadian and Newfoundland fishery producers have a considerable advantage over New England. They have a shorter haul, lower costs. Duties are ad valorem and therefore comparatively low under existing price levels.

At Geneva Canada got a duty of 1⅞ cents a pound on the first 24 million pounds of imports and 2½ cents a pound on all fillets in excess of that amount. This year the low rate will apply to approximately 24 million pounds. If the 43-million -pound quota were applied it would mean that a smaller percentage of Canadian exports to United States would be eligible for the lower duty.

Since Newfoundland produces almost half of the cod fillets, it is likely that it will still be able to sell as much to United States now as it did prior to joining with Canada. At the same time Canada with Newfoundland has more bargaining power than either had working alone.

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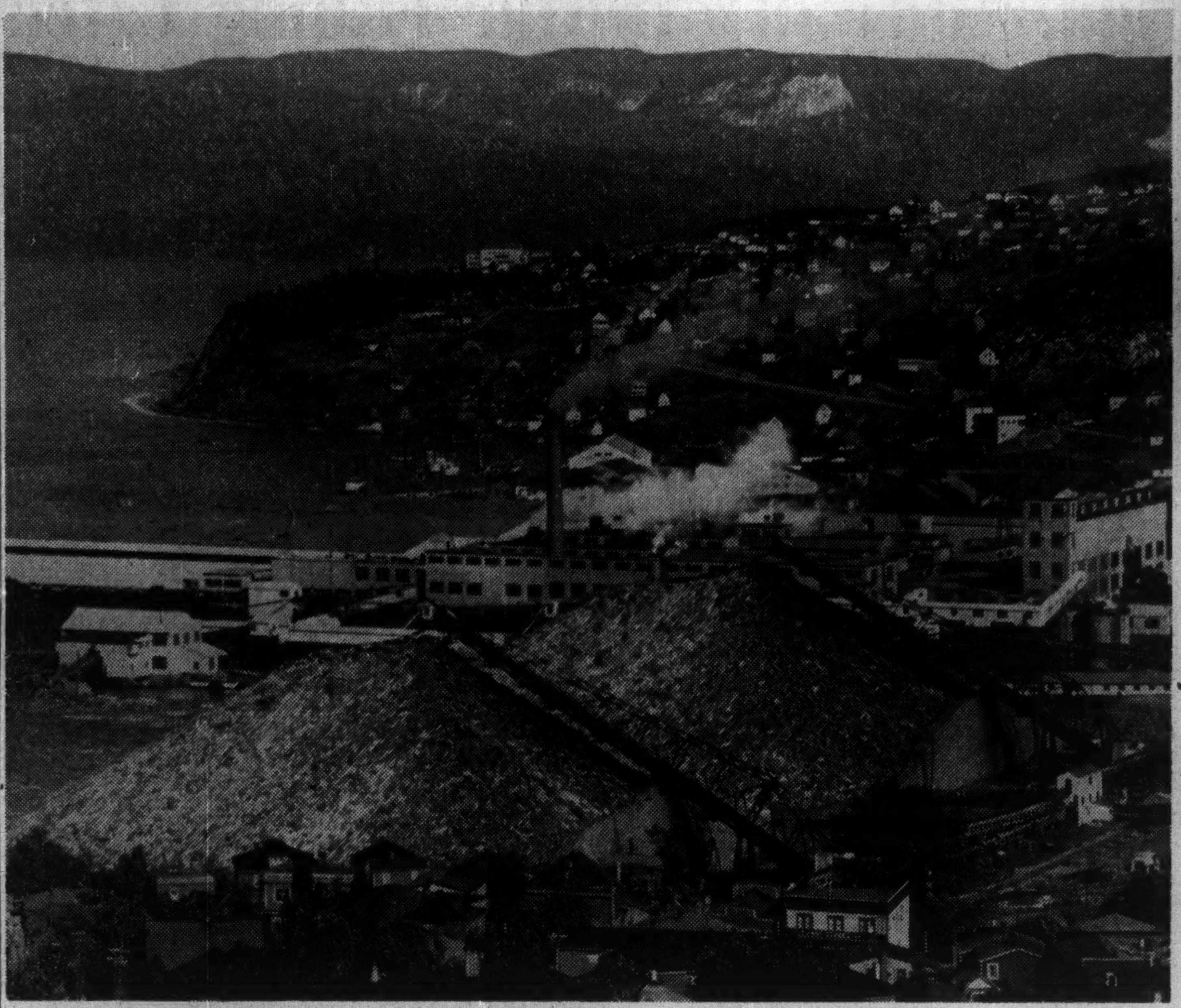

Centre of the second-largest community of Newfoundland, Corner Brook area's population is over 20,000. In 1911, Corner Brook was a village of 411 population; with the establishment of Bowater's (Newfoundland) Pulp & Paper Mill (shown in foreground) the population had jumped to 6,374, in 1935. Establishment of secondary industries is assisting in the growth of the West Coast centre.

Secondary Industries Growing With Corner Brook Progress

Corner Brook, largest centre on Newfoundland's west coast, is best known as the home of the largest integrated newsprint mill in the world.

The story of the city's growth parallels that of Bowater's Newfoundland Pulp & Paper Mills, which acquired the Corner Brook mills in 1938.

Mr. Hood

Corner Brook is 740 miles from Montreal and 430 miles from Halifax by sea. It is connected by rail with Gander, 180 miles to the east. The city is intersected by the main line of the Newfoundland Railway which provides tri-weekly connections for mainland points via Port aux Basques. Six trains weekly connect Corner Brook with St. John's, 400 miles to the east.

Population of the greater Corner Brook area is about 20,000 and includes Corner Brook, Corner Brook West, Corner Brook East, Curling, Petries, Mount Moriah, and Humbermouth.

Sparked by Bowater's pulp and paper operations and recently-completed $8 millions expansion, Corner Brook itself is growing in all directions. Activity in the port increased to the point where one freight company alone handled 58,000 tons of cargo in 1947. Value of recent new construction in the area, including a 100-bed hospital and a 250-bed sanitorium, runs to approximately $25 millions.

Branches of three Canadian banks now serve the township and its neighboring communities. Most of the major St. John's supply houses have large active branches and warehouses in the area.

Besides the Bowater's mill, a number of smaller industries have started in the area. Western Terminals was formed in 1946, with Clarke Steamship Co., Montreal, holding a substantial interest. In 1947 the company erected new freight sheds and has introduced mechanization in its freight handling.

Newfoundland Engineering & Construction Co., formed in 1944, has handled more than 90 construction contracts with a total value of more than $2 millions.

Other expanding industries in the area include William J. Lundrigan (woodworking); Newfoundland Dehydrating Process Co. (herring processors, herring meal); Dunphy's Ltd. (herring factory); Connors Bros. (herring cannery); Western Publishing Co. (printing and publishing); Brookfield Ice Cream (dairy and ice cream).

Most of Corner Brook's houses have been company-owned and occupied by Bowater employees. Recently the company adopted a policy of selling the homes to the occupants. About 50% of the houses have now been sold to employees. Avalon Telephone Co., St. John's, has recently put up a new exchange and installed a dial system.

Curling, Corner Brook East and Corner Brook West now have their own town councils. It is expected that Corner Brook itself will soon become an incorporated town with eventual amalgamation of all the municipalities.

Active in promoting Corner Brook as a commercial, industrial or tourist location is the Bay of Islands Businessmen's Association. Organized in 1941, BIBA became affiliated with the Newfoundland Board of Trade two years later and now has a membership of more than 120. BIBA says there is plenty of room for the expansion of existing enterprises in the area and the establishment of new ones. Plenty of cheap electric power, adequate communications, ideal climate and fertile soil, superb scenery are some of the incentives it offers to new business settlers.

President of Bay Islands businessmen's Association this year is Norman Hood. Manager of A. E. Hickman Co. and a director of Western Terminals, Mr. Hood has been active in athletics and community activities for a number of years. He has been a member of the YMCA leaders corps and a secretary of the Men's Club. He is president of the Blomidon Club and a director of the Corner Brook Community Club, and an active member of the tennis, and badminton, curling and golf clubs.

Where Aliens Come From

Alien Population by Country of Allegiance, 1945 (Source: Newfoundland Census)

Country of Allegiance	1945 Number	1945 %
United States	502	58.1
China	119	13.8
France	31	3.6
Germany	4	0.5
Norway	13	1.5
Poland	15	1.7
Spain	6	0.7
Sweden	6	0.7
Other and not stated	168	19.4
Total aliens	864	100.0

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

SYLVANITE GOLD MINES realized a 1948 net profit of $257,713, equal to 7.8 cents a share before writing off $28,914 for exploration. New ore developed continues to equal the ore mined and President Welles V. Moot expects 1949 profits will be "about the same as in 1948."

A modest increase in dividends by the first of next year is stated to be a good possibility because the company expects Delnite Mines, in which a two-thirds share interest is held, to resume dividends by end of current year.

A total of 2,666 ft. of new ore was opened during 1948 in 7,983 ft. of drifting. Amount of work completed in the No. 5 shaft area during the year was restricted by power shortage.

The subsidiary, Tyranite Mines, remained closed during the year. No new properties were optioned but the search for possible new mines is being continued.

INCOME ACCOUNT

Years Ended Dec. 31:	1948	1947
Bullion prod.	$1,565,036	$1,450,334
Less: Oper. exps.	1,342,991	1,193,940
Net oper. earnings	222,045	256,394
Add: Int., etc.	11,025	13,026
Est. Cost-Aid	93,937	......
Prof. on inv. sale	......	31,313
Total net earnings	327,007	300,733
Less: Deprec.	15,744	20,528
Taxes res.	53,550	19,811
Net profit	257,713	260,394
Less: Divds., etc.	197,970	263,960
Surplus for year	59,743	*3,566
*Deficit.		
Earned per Share	$0.078	$0.079
Paid	0.06	0.08

CONDENSED BALANCE SHEET

As at Dec. 31:	1948	1947
Cash & bullion	$422,519	$848,905
Accts., etc., rec.	11,036	13,520
Est. Cost-Aid	37,500	......
Bonds & debents.	581,781	128,656
Mat. & stores	189,317	164,262
Total curr. assets	1,242,153	1,155,343
Prep. & def. chgs.†	9,613	12,018
Def. expend.	89,420	110,737
Shs. & adv., sub.	1,882,974	1,869,266
Claims & props.	1,401,146	1,401,146
Plant & equip.▲	46,602	47,585
Total assets	4,671,908	4,596,095
Accts., etc., pay.	195,719	174,386
Taxes reserve	29,000	5,350
Total curr. liab.	224,719	179,736
Conting. reserve	750,000	710,000
Capital stock	2,383,000	2,383,000
Surplus	1,314,189	1,323,359
▲After depr. of	1,200,754	1,192,892
†Included as current assets in co's report.		
Working capital	1,017,434	976,607

OPERATING STATISTICS

	1948	1947
Tons milled	167,440	151,140
Average recov.	$9.35	$9.60
Broken ore reserves, tons	57,855	58,412

DELNITE MINES realized a 1948 profit equal to 9.8 cents a share—40% greater than the previous year—and a little over 10 cents a share is expected to be earned in 1949, President Welles V. Moot reports. Current assets are expected to permit a resumption of dividends before year end.

Major reasons for an optimistic view of the future are excellent ore developments in the adjoining Aunor mine at the 2,600-ft. level beginning at the boundary line and extending easterly, and diamond drilling below the Delnite 2,800-ft. level which seem to confirm the belief that this ore body extends into Delnite at lower levels and that good values will probably continue in this ore body for another 1,000 ft. or more.

The latest drill intersection at about 1,000 ft. below the present bottom level of 2,800 ft. gave an indicated vein width of about 12 ft. with better than present average mill grade values.

A total of 2,013.5 ft. of drifting was in ore representing 48.6% of all drifting.

INCOME ACCOUNT

Years Ended Dec. 31:	1948	1947
Bullion production	$1,184,625	$999,725
Less: Mkt. chgs.	9,021	8,027
Oper. exps.	887,038	733,372
Operating profit	288,566	258,326
Less: Int. on invest.	4,062	780
Profit on invest.	......	2,115
Est. Cost-Aid	95,002	......
Add: Deprec.	75,772	38,149
Def. develop. w/o	......	4,598
Income tax	18,517	12,863
Net profit & surp.	293,341	205,611
Earnings per Share	$0.098	$0.069

CONDENSED BALANCE SHEET

As at Dec. 31:	1948	1947
Cash & bullion	$528,633	$419,346
Govt. bonds	215,916	13,104
Accts., etc., rec.	9,418	4,457
Est. Cost-Aid	40,700	......
Mine supplies	162,172	151,656
Total curr. assets	956,839	588,563
Prep. & def. chgs.	7,571	12,958
Deb. issue cost	......	200,000
Claims & props.	1,115,833	1,115,833
Plant & equip.▲	136,889	183,600
Total assets	2,217,132	2,100,954
Accts. payable	70,681	53,784
Taxes reserve	18,000	12,059
Total curr. liab.	88,681	65,843
Capital stock	1,826,811	2,026,811
Surplus	301,640	8,300
▲After depr. of	643,526	571,091
Working capital	868,158	522,720

OPERATING STATISTICS

	1948	1947
Tons milled	124,835	101,927
Average recov.	$9.49	$9.81
Broken ore reserves, tons	52,013	42,140

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ST. JOHN'S, NEWFOUNDLAND

1894-1949

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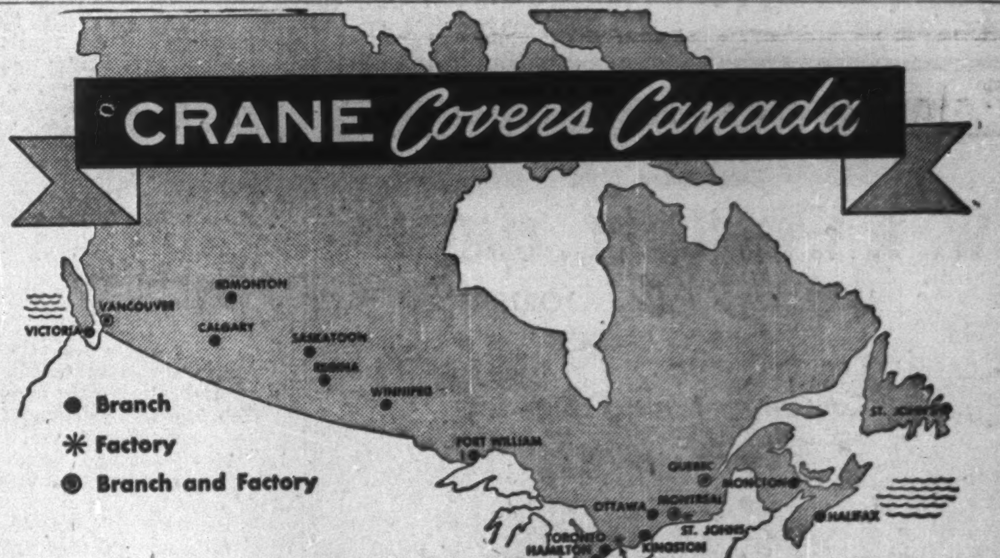

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FP-69

Island Farmers Face Tough Problems

More Technical Skill Needed To Overcome Many Handicaps

(Special Correspondence)

ST. JOHN'S — Agriculture in Newfoundland is a handmaiden to the fishing industry. Most farmers are fishermen, and most fishermen, farmers. Sound of the sea is never far from their ears as they till the soil in odd moments sandwiched in between busy periods of the day when they are catching or curing their fish.

Bona fide farmers who produce agricultural commodities for sale are comparatively few and far between, although they have been on the increase during recent years.

Of the two, the fisherman-farmer is the more important to the over-all economy of the province. Working his small holding about a mile "in back" or inland from his fishing stages, the average fisherman, even with his small cash income, can enjoy a diet equal to the average Canadian town dweller by reason of the vegetables, eggs, milk, etc., which he is able to produce.

Value of this production cannot be assessed properly, but were it suddenly to cease, its absence would be felt keenly. And it is because of this part-time farming that Newfoundland's standard of living has been kept up to its present level.

Problems of Full-time Farmer

But it is full-time farming that attracts most public attention and which provides most headaches.

This kind of production suffers from a variety of faults, some of which cannot be controlled, and others which are being battled energetically.

The moist, cool climate limits farmers to production of hay and pasture crops and commoner types of vegetables, such as potatoes, turnips and cabbage. This is all right so far as the fisherman-farmer is concerned, but it doesn't help the full-time man.

Where arable soil is found, it is usually in small patches which are hard and costly to clear. A five-acre farm is reckoned to be large, although there are one or two farms 10 times that size.

There are 700,000 acres of Newfoundland that can be tilled, according to government soil analyists, but only 3% of this is first class and 30% is second class. Generally speaking most soils found in Newfoundland are rocky, rough and low in fertility, but in practice they are not too difficult to work, and respond to good methods of fertilization and tillage.

These things have discouraged interest in farming, which was never very high due to the large part played by the fishing industry in Newfoundland life. Recent figures released by the Newfoundland Labor Relations Office give the number of persons engaged in farming as 10,000, and agricultural officials consider that the number of farm units which provide full-time employment is about 1,200.

Main farming sections of Newfoundland are in areas of St. John's, Eastport, Bonavista Bay; Humber Valley, Stephenville-Port au Port, St. Georges Bay and the Codroy Valley. Of these the last four are on the west coast, and they are the island's main farming centres. It is in these areas that the greater part of the total 134,000 acres suitable for agriculture is located.

Need Technical Knowledge

Another thing which retards Newfoundland's agriculture is general lack of farming skill. There is a serious lack of technical knowledge and few farmers recognize the need of advanced skill in carrying on farm operations. Not only does this retard operations for obvious reasons, but it also tends to restrict farming to small farms with correspondingly small production and income.

Finally, greatest fault of all in Newfoundland's farming operations is almost complete lack of organization in connection with marketing farm produce.

Combined result of all these things is that agricultural produce grown in Newfoundland cannot possibly fill needs of all consumers. Consequently a great deal of the province's requirements have to be shipped in from the mainland of easterr Canada, chiefly from Prince Edward Island. Because of union, and the removal of tariff walls, the flow of produce from P.E.I. is expected to increase, and because of lack of market facilities on the part of Newfoundland farmers, this is expected to still further adversely affect the industry here.

Recent governments, however, have been doing much to advance farming in Newfoundland, and the now defunct Commission Government put many projects designed to improve agriculture into effect. Since Newfoundland became a province, Premier J. R. Smallwood has indicated that this program will be stepped up.

Land Settlement

One of the earliest schemes put into operation here to aid farmers was land clearance. Under this the Government paid a bonus of $25 per acre for newly cleared land which was placed under cultivation. In recent years this has been extended to the Government clearing land by tractor on a community-wide basis. This has been popular to an extent beyond the limits of land-clearing equipment available.

In one way and another this land clearing led to what was known as "land settlement."

In 1934 the first land settlement scheme was carried out, with the placing of 10 families in a new community about 50 miles or so from St. John's. Other communities were set up on the same basis. Originally, these were run on a communal basis, but this part of the scheme didn't work, and the land was divided equally among the settlers. Other schemes along the same lines were set up, all aimed at the encouragement of agriculture. They all had varying degrees of success.

Biggest land-clearing and settlement scheme was in the upper Humber Valley area, which contains some of the best farm land in the island. This envisioned the settling of 300 veterans of World War II on full-time holdings, ranging from eight to 50 acres each. Just after the development began, the scheme was widened to take in some civilians as well as ex-servicemen. So far some 100 rew farms have been created.

As a direct result of this new land-settlement scheme in the Humber Valley, came the province's young soil survey service, which was set up primarily to survey the soil in the Humber area. Operations in this line have been on a more or less modest scale, but it is proving its worth in indicating just what soil is suitable for agriculture and prevents waste of time and money in clearing infertile areas.

In general soil survey works like this: first there is a preliminary survey made to ascertain how much of a given area is suitable for farming. Next a systematic, detailed soil survey is undertaken and a map prepared. This map indicates the location and extent of fertile land available, and indicates to the farmer just what type of soil he has and the kind of agricultural production for which it is best suited.

Newfoundland soils tend to be acid and since 1936 the Government has granted a limestone subsidy to farmers. Lime, which would normally sell at $12.50 per ton, is under this subsidy available to farmers at $1.50 per ton in loads of at least 20 tons, landed at the nearest shipping point. In 1947, the latest figures available, farmers bought 1,265 tons.

Education in Farming

Government is also making progress in an advanced scheme of education in farming. For a number of years the Department of Agriculture here has maintained a number of agricultural fieldmen, who travel around farming sections of the province, listening to farmers' problems and trying to answer them. These men also arrange various agricultural demonstrations, exhibitions, etc., and organize farmers into agricultural societies to study marketing and other problems.

In addition a demonstration and training farm is operated just outside St. John's at Mount Pearl, for the purpose of crop experimentation and training of those interested in farming. Several training courses are held during the course of the year. In 1936, this farm was wornout pastureland, but it has now been built up to a high state of fertility and is producing a large variety of excellent crops. This farm now is the responsibility of the Federal Department of Agriculture.

But of all the problems facing agriculture in Newfoundland, the marketing of produce is toughest nut to crack, and the Department of Agriculture has made many unsuccessful attempts to find a solution. One main reason for this has been lack of reliable production and marketing information.

It is hoped now that agricultural societies mentioned earlier will be one of the best levers in opening a way to the solution. Through these, farmers in a community can meet and exchange views, and in some cases take community action.

According to D. J. Gillis, Director of Agriculture here, the history of farm marketing has been in the main a matter of each producer selling his own produce direct to the retailer or consumer, in some cases by door-to-door peddling.

Great difficulties have to be overcome in breaking down this crippling system, because many farmers up to the present have been successful in selling all they can produce at retail or near retail prices. It is scarcely to be expected that these successful ones would be farseeing enough to sacrifice, of their own accord, immediate gain in favor of future security.

However, it must be obvious that within the next few years the marketing practices of today will become utterly inadequate, and if widespread distress is to be avoided, a framework of some form of marketing organization should be set up.

At the moment the buyer is faced with obvious difficulties in purchasing Newfoundland vegetables:

(1) There is no way to estimate extent of available supplies.

(2) There is no large source of supply available for ready contact.

(3) There is no assurance of uniform quality or grading.

(4) There is no reliable basis upon which prices can be negotiated.

This, says Mr. Gillis, is not the concern of the purchaser. It is the farmer's problem, and he must tackle it energetically if he wishes to survive.

Transportation and Storage

Other problems which have to be solved if any system of marketing is to be developed, are lack of transportation and storage facilities.

About the only means of trans-insular transportation is the single-track Newfoundland Railway (CNR) which traverses the province from Port aux Basques to St. John's. Road facilities are limited almost entirely to local areas, and there is no trans-Newfoundland highway. Transportation to most outposts is entirely by water.

So far as storage is concerned, there are practically no facilities available today, resulting in an autumn glut on the market with an inevitable lowering of prices, and a famine during other months which must be supplied with imported agricultural produce.

To aid this situation, the Government has a scheme whereby assistance is given to farm groups (agricultural societies and the like) in erecting suitable storage facilities, which permit holding potatoes and other vegetables and shipping them to market in winter. This scheme is as yet in its infancy, but one or two agricultural societies on the west coast have used it, and it is expected that others will do so in the near future.

Lack of scientific farming also contributes its share towards the holding back of agriculture in Canada's new province. Mechanization on farms is small, and in many cases implements are of the one-horse drawn type. Land is well tilled, however, and fertilization with manure, peat, kelp and chemicals is general. Where livestock is not kept in large numbers, the use of fish as fertilizer is common.

Again the Government is helping in acquisition and improvement of livestock. During past years the Department of Agriculture has been paying transportation and half purchase price of registered sires of most species of farm animals purchased by farmers. Result has been an increase in quality of livestock, but even so there is need of something further to induce farmers to raise more animals.

Trouble here is that natural pasture is hard to find, and cattle and feeds have to be imported, raising costs of keeping cattle. This may improve now with reduction of feed freights because of union. At present, only animal in sufficient quantity to meet local meat demands is sheep; cattle and swine are far below domestic needs.

Total agricultural production in Newfoundland is now estimated to be about $12.5 millions annually, and it has been at that figure for a number of years. There is room for substantial improvement once the many and varied problems have been ironed out.

Island Agriculture

Number Cultivating Land Areas, Production and Value of Crops, Live Stock and Live Stock Products, 1911-1945

(Source: Newfoundland Censuses)

Item	1945
Cultivators of Land	35,574
Farmers	2,809 (1)
Fishermen and others	32,765
Area Occupied	137,275
Area Improved	62,642
Production and Value of Crops	
Wheat and barley, bu.	19
	29
$ value	
Oats, bu.	3,855
	5,783
Hay, ton	54,450
	2,613,600
Potatoes, bu.	1,509,994
	2,113,992
Turnips, bbl.	83,025
	348,705
Other root crops, bu.	30,204
	81,073
Cabbage, lb.	8,378,092
	335,124
Fruit, gal.	34,287
	16,897
Live Stock	
Horses	9,795
Ponies	4,954
Milch cows	14,455 (5)
Other cattle	8,489
Swine	11,443
Goats	11,595
Sheep	85,802
Poultry	346,428 (6)
Live Stock Products	
Milk	3,877,818 (7)
Butter (8)	456,926
Eggs	1,574,401

(1) According to occupation classification. (2) Not available. (3) Heads. (4) Includes other fodder crops. (5) Enumerated as cows 2 years and over in 1935 and as cows 1½ years and over in 1945. (6) Hens and chickens. (7) Includes goats' milk. (8) Does not include butter made by manufacturing companies.

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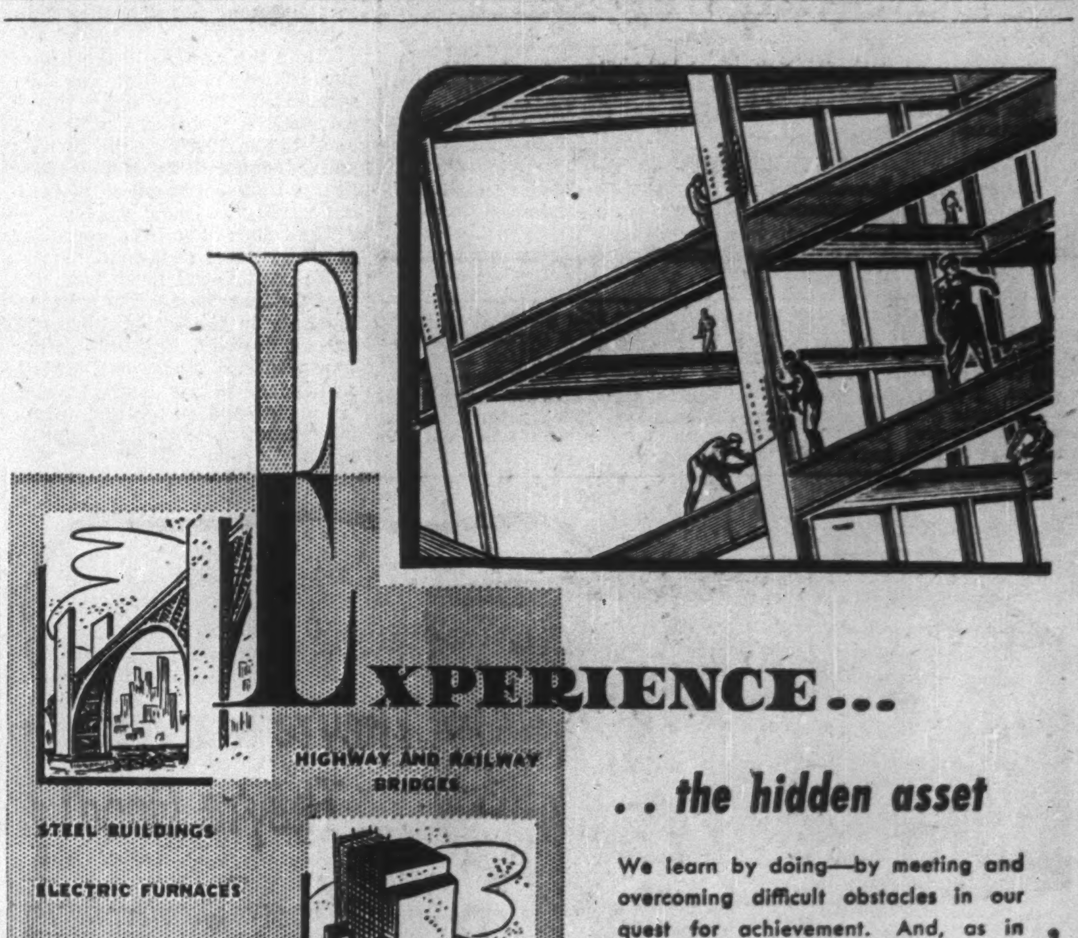

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NORTHLAND MINES (1940) is carrying on prospecting work on its 18-claim group at Alona Bay, about two miles east of the Camray uranium property. A number of diabase dykes have been found cutting red granite; Geiger counter work done to date indicates a possibility for this group, it is stated. Northland has a participation in a concession in the Black Lake area of Northern Saskatchewan, also holds a group of eight claims in the same area where prospecting for uranium will be carried out this season.

When Newfoundland entered Confederation, it boosted Canada's newsprint production 10%. As with the other Canadian provinces, the United States is Newfoundland's chief export market. Three vessels load at Anglo-Newfoundland Development Co. harbor at Botwood.

—*Photo by George Lilley.*

Challenge to Newfoundland Industry

'Self-Help in Our Communities' Seen Essential Factor

How is industry progressing in Newfoundland, what new is shaping up in the island's economy, what challenges face Newfoundland industry? President C. C. Pratt of the Newfoundland Industrial Development Board dealt with these questions in his annual report to the Board. Here is a digest of his report:

By C. C. PRATT

Political developments in 1948 caused a hiatus in industrial progress, except in the major industries which continued to pursue their long-range programs uninterruptedly.

Extension of the paper industry is one of the bright spots in the economy and we are fortunate in having located here two companies which are as efficient and progressive as can be found anywhere in the world and whose outlook on Newfoundland and its people is liberal and helpful.

There is a note of progress in the fishing industry, especially in the field of processed fish, which reflects great credit on the companies that have brought these operations through the risks and pains of the pioneering stage up to the sound position they now occupy.

While their value to the life of our country may not be fully recognized at present, future generations, I believe, will look back to the 1940's as the turning point of the century from a static fishing industry to one of increasing vitality and progress.

The mines have been operating at a high level of output.

We need to get away from the thought that the road to progress lies only in the establishment of large industries. Self-help in our communities, large and small, and indeed in our family circles, is an essential factor in improving the lot of our whole population.

Every household in Newfoundland with land to use should be encouraged to grow more peas, more spinach, a greater variety of vegetables and fruits. More of these products should be home-processed, thus cutting down the quantity that is grown and packaged for us by Maine or Ontario.

There is no reason why potatoes, turnips and cabbage should hold a monopoly on our soil. We should have more cows and goats and hens in areas where land is available to the average home and use less milk in tins and eggs imported from a thousand miles away.

As an example, one million dozen eggs, two million pounds of processed milk and three million pounds of canned peas and beans is far too much for 300,000 people to import and have an adequate standard of living.

Our short and uncertain growing season and indifferent soil in most sections reduces our self-containment, but that makes it all the more necessary to use to the utmost the possibilities of growth, we have.

Challenge to Co-ops

Many of us remember that years ago agricultural societies were formed in many sections of the country and showed promise of doing a great deal of good. That was a good idea which failed for lack of vigor and continued leadership.

Right now is the time to institute a plan of campaign in this direction, whereby through instruction, organization, competitive displays, facilities for obtaining containers for home-processing and in other ways create the incentive for self-help.

Here is a field of endeavor eminently suited to the co-operative societies now established throughout the country. Many other forms of existing societies could also be used for the furtherance of this idea.

In talking with a gentleman from Scandinavia some time ago I was very much impressed by the fact that those people have progressed much further than we have along these lines, under climatic and soil conditions not so very different from our own.

What qualities have those Scandinavian people that we do not possess?

Reverting to the field of endeavor which is the special purpose for the life of this Board, that is, the development of our natural resources industry, we have an urgent need to know more of what we have in this country to use.

Much has been said and written, often without adequate thought, about our great natural resources. General statements about our great resources do not help much. Specific details of what we have and how to economically use them are what we need.

Progress has been made in the survey of our water power potentials and in soil surveys. Geological survey parties are working to discover minerals, or at least to study formations which may help in the discovery of minerals. Some interest has been shown recently in the study of the movements and quantities of fish bodies, but we have only touched the fringe of what is required in these and many other directions.

I would like at this point to pass along a suggestion given to the Board by a highly qualified authority to the effect that prospectors' classes are organized in villages and small towns in Canada and do effective work. By being made familiar with minerals through displays of samples and by instruction in prospecting methods, many notable mineral deposits have been found, which otherwise might have gone unnoticed.

This Board, within its limited means, has conducted some surveys which have been reported on in the yearly reports but a tremendous lot of spadework and fact-finding has yet to be done before capital can step in and commence actual development.

This is an age when industry only advances in the path of scientific inquiry. The dense woods of confused thought about our resources still obscure us from outlining a clear path of progress.

During the next few years we shall undoubtedly be faced with many changing circumstances. There will be those changes brought about by political adjustments and readjustments from the presently high values occasioned by the abnormal circumstances of war and war preparedness. It must be assumed that high values will level off as time goes on. It is only in efficiency and high productivity that we can maintain our position in competitive world trade.

It is questionable how successfully we can meet the sterner competitive conditions which are ahead of us in the salt fish industry without by improved and more modern methods of catching, increasing the per capita catch of each fisherman. Further, the costs of handling, transportation, packaging and other forms of expense in marketing are out of proportion to the returns to the fisherman, operating as they do with such a low average catch.

In a period when the cost of living is so abnormally high and the value of the dollar has shrunk to a degree that only with the most frugal economy can people of low earnings maintain themselves, we have a problem, easy of statement, but difficult of solution.

Unfortunately we are caught up in a vicious spiral of advancing costs, without an adequate increase in the quantity and value of goods produced. I am aware I am speaking in generalities, but even a statement in that form has its place, if it stimulates our thought.

One thing is obvious. We need high efficiency in industry and the highest possible productivity per man-hour in whatever sphere we work. If industry and labor are not efficient, that indivisible trio, laborer, consumer and producer suffer from a lessened purchasing power, no matter how wages and production values are made to vary. The history of highly developed countries has revealed that a higher standard of living inevitably follows greater mechanization and efficiency of industry.

Tourist Possibilities

Airborne tourist traffic has enough possibilities to make a marked impression on the economy of this island, if we have sufficient vision to take advantage of it.

The opening of roads from there to nearby bays should result in thousands of tourists each year finding enjoyment in some of the most beautiful sections of Newfoundland. As one experienced traveler remarked recently, the greatest enjoyment you can give them is to take them out cod fishing. They will even bait the hooks for you and pay you for the privilege of doing so.

The problem of economic and housing conditions in St. John's is an acute one. The two questions are interdependent — one stems from the other, the social from the economic. On the other hand, a bold approach is necessary in the case of the deplorable living conditions in sections of the city and a solution cannot wait on the slow progress and hazards of industrial growth.

It is a matter of great social urgency and must be tackled by a strong public movement.

The economic difficulties of St. John's have increased more by reason of a movement into the city in recent years than by natural growth of population, hence the problem is a national one. Hundreds of our young people leave school every year to begin what is for them a hopeless quest for satisfactory employment which aggravates an already grave social situation.

This particular problem offers a fertile field for immediate inquiry and this Board could perform a task of immense importance to the national economy by sponsoring a survey designed to produce constructive proposals that may tend to materially alleviate conditions in St. John's.

To find labor-giving opportunities and use them requires patient searching, faith and hard work. We need in Newfoundland more development in a modern manner to keep our young men and women here. We need more scientific inquiry as to what we have and how we can use it. We need a university which will educate young people in the local atmosphere and send them out with inquiring minds. We need capital that will be risked on fair chances. We need the fullest possible measure of co-operation between industry and labor, which can only come about through mutual trust. We need a lively and clear interest, one in the other. We need a people who are not divided in goodwill toward each other, whether they happen to live on the east coast or west coast, or north or south. It is only by self help and mutual help that we can progress.

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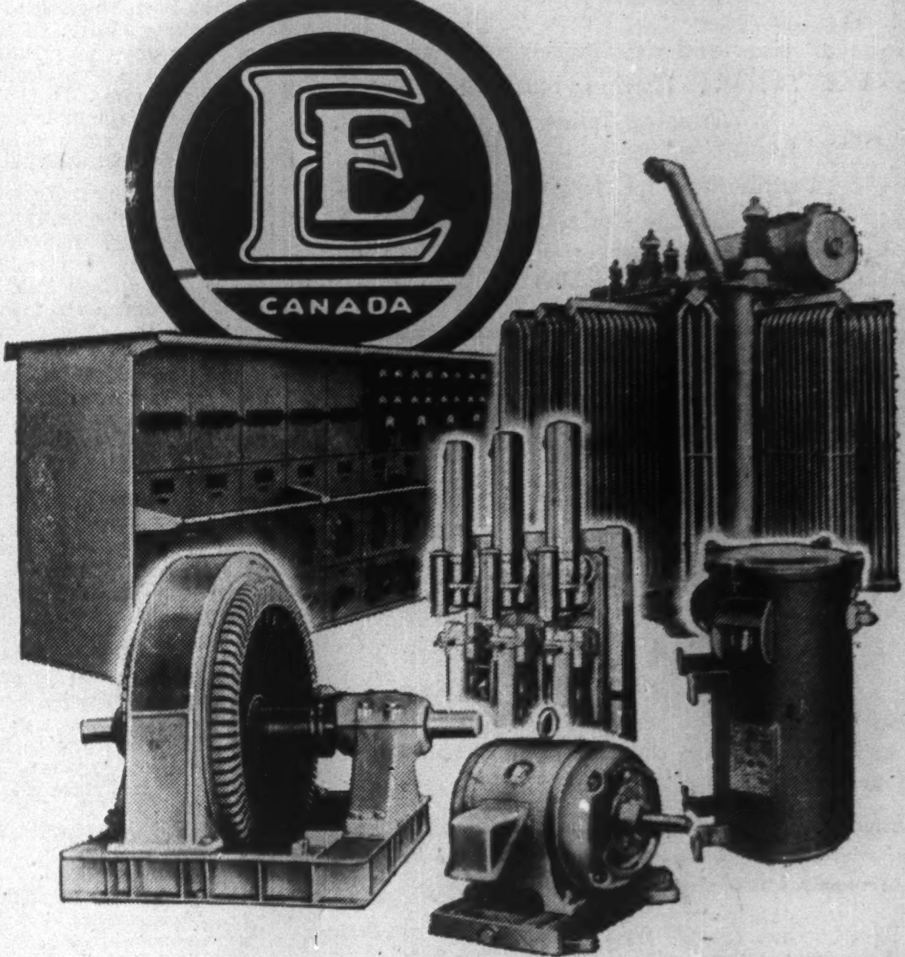

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What Confederation Means To People of Newfoundland

(Continued from page 26)

ing on the North American continent.

Leading the field in this respect is Grand Falls in Labrador, presently optioned to the Labrador Mining & Exploration Co., and capable of producing 2 million horsepower throughout all seasons.

Another almost equally big power source is the water flowing from the Partridgeberry Hills into Bay d'Espoir on the south coast. Other sources of power also hold promise of development.

Finally comes the pulp and paper industry. Present companies, Bowater's at Corner Brook, and Anglo-Newfoundland at Grand Falls, are just completing major expansion programs, which extended AND's operations and made Bowater's the largest integrated paper mill in the world. Further expansion in these industries is doubtful.

There is one point in this connection which may make a lot of difference in the future, that is a terrific boost in taxation. For example: Bowater's by special arrangement with the previous Newfoundland Commission Government paid only $150,000 annually in income taxes regardless of profit. Now this has been boosted to Canadian rates, and the company will pay something like $1 million annually.

But again Labrador is a bright spot. Photo-surveys there give indications of timber stands capable of supplying the hungry grinders of a third paper mill in Newfoundland. If this works out, it may be that a paper mill will be erected on the south coast of Newfoundland, making use of Bay d'Espoir waterpower, and being supplied with wood from Labrador.

In all this the future for development in Newfoundland looks bright. But it is not all milk and honey.

Small Industries Hit

Secondary manufacturing industries, employing over 3,000 with a turnover of something like $23 millions annually, are striking trouble. One company has been forced to close down, and most of the others have begun stiff retrenchment programs, paring staffs and tightening production.

Among industries affected are those manufacturing boots and shoes (one of these has closed), aerated waters, cordage, lime, marine engines, paint, cigarettes and tobacco, clothing, nails, stoves and cast iron goods, woollens, biscuits, paper bags, margarine, tinned goods of various types, oiled clothing for fishermen, brick, ice cream, candy, flavor essences, furniture, processed meats (bacon, ham, etc.) creosote and other items.

Effect of union on these is a complex subject and one which has not yet been ironed out.

Three main problems facing manufacturers are:

(1) Protective tariff walls have been removed, opening the way for similar Canadian manufacturers to enter the Newfoundland market with cheaper-cost, mass production products. Manufacturers here fear they will be unable to meet the competition because of their higher costs per unit due to high transportation charges and comparatively small production.

(2) Imposition of import controls and some higher Canadian tariffs forces Newfoundland manufacturers to seek new sources of supply for raw materials which they previously bought in the U. S. In some cases this material costs more than pre-union, thus again boosting production costs.

(3) Imposition of Canada's taxation system, with higher income and excise taxes.

These difficulties have long been apparent to both Associated Newfoundland Industries (an association made up of secondary manufacturers here) and Department of Trade and Commerce in Ottawa, and both are doing all they can to smooth the path of union.

Ottawa Co-operation

A special committee of senior officials has been set up in Ottawa, headed by W. F. Bull, Department of Trade and Commerce, to ensure that special enquiries and problems of Newfoundland receive as prompt and effective attention as possible. Department of Trade and Commerce is continuing its office in St. John's, headed by R. Campbell Smith, and the Canadian Commercial Corporation has set up an office here to purchase locally made materials for Canadian armed forces and government departments.

The executive of the Associated Newfoundland Industries is working hand in hand with these men, but as yet it is too early to ascertain just what the effect has been.

Some local manufacturers contend that Ottawa aid has been merely a "help over the hump," while others have found it a godsend. But one thing is certain: aid given will not in itself be sufficient to keep island manufacturers operating, should they in the near future find that it is impossible to do so without the aid.

Next two or three months will probably tell the tale.

Political Independence

Finally, union has brought Newfoundland something she has long wanted, but which she has never been able to attain. It is political independence plus reasonable financial stability.

For almost her entire history, Newfoundland has been the "Cinderella of the Empire," struggling along reasonably well as a complete ward of England, then as a chronically impoverished dominion, then back to benevolent dictatorship again.

It was the memory of the last days of Responsible Government, when Newfoundland's credit was exhausted and she went bankrupt, that helped make Newfoundland a province. Majority of people did not want a continuation of the Commission form of government. They wanted to be independent. But when they thought of the past many were scared of the future.

Commission gave them financial stability but no independence, Responsible government gave them independence but no promise of financial stability. The answer was somewhere in between: union with Canada.

Typical of the many small communities which dot Newfoundland's shores is Portugal Cove, 10 miles from St. John's. Fishing last year gave employment to 28,000; its export value was worth $29 millions, or 36.1% of all exports.

Wood Pulp Exports

Exports of Wood Pulp, Fiscal Years 1939-40 to 1947-48
(Source: Newfoundland Customs Returns)

Year (1)	Unbleached Sulphite Quantity tons	Unbleached Sulphite Value $	Mechanical Quantity tons	Mechanical Value $
1939-40	11,111	512,949	98	3,463
1940-41	28,932	1,676,921	8,685	252,557
1941-42	57,849	3,284,247	22,779	790,137
1942-43	30,827	1,742,820	24,825	870,777
1943-44	36,541	2,088,100	35,517	1,463,790
1944-45	27,559	1,661,620	38,250	1,814,895
1945-46	35,500	2,428,906	12,635	759,917
1946-47	17,060	1,305,017	....	....
1947-48	42,885	2,996,198	778	47,916

(1) 1940-42, Fiscal years ended June 30; 1942-43, nine months ended March 31; 1943-48, Fiscal years ended March 31.

Pulp & Paper Major Factor

(Continued from page 29)

have elapsed. All such timber licenses call for a small annual payment but no stumpage charge.

Excluding the benefits of reforestation, the supply of pulpwood is considered sufficient to supply the mill requirements in perpetuity.

The mill is situated on tidewater, open eight months of the year, and is credited with being one of the lowest cost producers in North America. A dock and warehouse was built in 1935 at Port aux Basques, 140 miles from Corner Brook by rail, by the Newfoundland Government and has been leased for a 10-year period with right of renewal, thus permitting year-round water shipments. The company owns one oil-burning steel vessel especially designed for carrying newsprint, with a capacity of 5,700 tons, and several smaller vessels.

Net profit of the company for the year ended Sept. 30, 1948, amounted to $3.6 millions, an increase over the previous year's profit of $3.3 millions. Production of sulphite pulp was more than double that for the preceding 12 months, despite the fact that throughout the year the sulphite mill was operated at less than full capacity.

Drought conditions adversely affected the supply of power during the winter months of 1947-48 and as a consequence production was curtailed to a certain extent. With the advent of the spring run-off normal operation of the mills was resumed and ultimate total production of newsprint for the year was slightly higher than in the previous year.

Full effect of the increased capacity of the company's mills will not be felt until this year. The necessary wood for this increased output has already been cut and hundreds of additional men taken on The annual cut for the mills at Corner Brook will be approximately 500,000 cords.

The company's annual payroll is now in excess of $15 millions, of which one half is paid out for woods operations on which an average of 5,500 men are employed.

Mechanization of woods operations continues to play an increasingly important part in the company's woods operations. Experiments have been carried on for the past two years with Hyster Arches which have had to be specially adapted for work in Newfoundland. These machines are now in operation in the Corner Brook area and at Gander and it is hoped that the whole of next year's cut will be hauled in this way.

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Can Newfoundland Balance Provincial Budget?

Union Alters Money Problems Which Have Troubled Island

(Special Correspondence)

ST. JOHN'S—As in the past under Responsible and Commission governments, in the future as a Canadian province, Newfoundland's biggest problem will continue to be one of finance.

Biggest question of the day in the new province: Will we be able to balance our provincial budget even with the federal government paying part of the bill? Will we be able to maintain present standard of services with something left over for necessary improvements?

Many people here have their doubts, predict huge provincial deficits. Others are more hopeful.

Doubters point to four items:

(1) Most productive sources of revenue in Newfoundland have been taken over by Ottawa, and Newfoundland cannot stand a very great increase in present taxation to give the province more money.

(2) Present budget estimates provide nothing for development of natural resources and expansion of services such as roads, health, etc.

(3) As transitional grants decrease, there may be nothing to take their place, thus producing a mounting deficit year by year.

(4) It is claimed, although figures were never officially released, that estimates of Newfoundland budgets for the next eight years, prepared during union negotiations in Ottawa, show capital expenditures of $20 millions and deficits of $9.5 millions over the whole period to be taken out of Newfoundland's present surplus, cutting this down to something like $10 millions. Remaining surplus, it is said, will be wiped out by deficit in ninth year of union, and 10th year will see a deficit of $8 millions on current account unless further Ottawa aid is forthcoming.

(It was due to this point that Chester A. Crosbie refused to sign the union terms in Ottawa last Dec. 11, claiming that it would be "financial suicide" to do so.)

On The Favorable Side

Are there any rays of light?

There are three things at least which give an indication that the future is not so dark as it may appear.

(1) Term 29, official terms of union of Newfoundland with Canada, provides: "In view of the difficulty of predicting with sufficient accuracy the financial consequences to Newfoundland of becoming a province of Canada, the Government of Canada will appoint a Royal Commission within eight years from the date of union to review the financial position of the Province of Newfoundland and to recommend the form and scale of additional financial assistance, if any, that may be required by the Government of the Province of Newfoundland to enable it to continue public services at the levels and standards reached subsequent to the date of union, without resorting to taxation more burdensome, having regard to capacity to pay, than that obtaining generally in the region comprising the Maritime Provinces."

(2) Also expected to aid financial worries in future will be increased spending power of fishermen, loggers and miners of Newfoundland through Canadian social security benefits.

During the first year of union, Canada expects to put some $55 millions into Newfoundland, and this will continue on more or less the same scale during following years. There are $8.4 millions in family allowances which in some cases nearly double the fishermen's incomes. There are $2.7 millions to cover federal government's share of old age pensions. These items will be permanent and will undoubtedly have the effect of bolstering Newfoundland's economy, increasing purchasing power and living standards.

There are other federal expenditures here this year, which while they are not permanent, will probably remain on somewhat the same level over next few years, in effect putting new money in circulation here.

These include: $1 million in various health service grants, a couple of millions in war veterans pensions, $6.4 millions by transport department on marine, air and telegraph and telephone services, $3.6 millions by public works, including $1 million for maintenance and operation of Dominion public buildings and $1 million for construction, repair and improvement of harbors and rivers.

There are $2 millions for unemployment insurance, and $1.2 millions for extension of fishery department services.

Loss of Customs Revenue

(3) Previously, because of limited sources of revenue, most government income in Newfoundland came from customs duties and income and corporation taxes. Together, these made up about $30 millions of last year's $40 million revenue. Both these were wiped out on union, and other revenue sources were taken over as well.

This has cut deeply into provincial revenue sources. What can be done to increase returns? What new sources of taxation can be imposed without putting a strain on the pockets of the people and island economy?

In answering this question those who look to the future hopefully first examine the figures of taxation in Newfoundland to get the combined levy of taxes by both provincial and federal governments.

About only provincial taxation now in force is $1 million in gasoline tax and motor vehicle licenses. Remainder of provincial revenue is departmental revenue gathered from various sources.

Federally, according to estimates made in Ottawa, taxation drawn out of Newfoundland will be about $19.4 millions annually: $3.2 millions, personal income taxes; $7.5 millions, corporate income tax; $320,000, succession duties; $2 millions, customs duties and import taxes; $400,000, liquor taxes; $500,000, tobacco taxes; $4 millions, general sales tax; and $1.5 millions, miscellaneous excise taxes. (Total federal revenue is estimated to be $21.1 millions, $750,000 from post offices and $15,000 from bullion, coins, etc., added to the above.)

Altogether, that makes federal and provincial taxation presently applicable in Newfoundland something like $20.4 millions per year.

As a separate colony, however, Newfoundlanders paid upward of $35 millions in indirect and direct taxation. It seems then, that by becoming the tenth province, the people of Newfoundland make a saving taxwise of about $15 millions annually. Some of this, say the more hopeful people, can undoubtedly be taken up in new taxation without putting a strain on the island's economy.

It has been suggested, both here and in Ottawa, that this new taxation which seems to be necessary, be applied through retail sales tax which would garner at least $2 million extra revenues per year.

Current revenues and expenditures being just about equal, as they are this year, this would provide $2 millions for expansion of existing services and development of natural resources.

Island's Cash Needs

Most difficult part of the union negotiations last year was working out a cash basis for union. Negotiators were faced with three major problems:

(1) What was minimum amount required to run Newfoundland as a province?

(2) What was maximum likely to be forthcoming without adding any new taxation?

(3) What forms of taxation could be applied, if necessary, without putting too much of a strain on the people who would be asked to pay?

Just what conclusions were reached on these questions in Ottawa is not known, with the exception of the last one. Full details on negotiations were never revealed.

But according to provisional provincial budget drawn up by outgoing Commission government in Newfoundland for guidance first provincial government, during first year of union, at least, Newfoundland will have an estimated surplus of $12 millions.

That's not so good as it looks. Whole of this surplus is derived from special nonrecurrent revenues payable during 1949-50 and which will not be available in 1950-51. Thus giving rise to shouts of "deficit" in second year of union.

In the budget, which can be changed, if necessary, now that an elected provincial government is in power, total revenues for 1949-50 are shown as $38,460,100, and expenditures $26,396,500.

Revenue is made up of $5.89 millions from provincial sources, $15.5 millions federal grants, and $17 million nonrecurrent revenues. Expenditure is $21.1 millions current expenditure, $1.1 millions for discharge of accounts payable at date of union and $4.1 millions for development of resources and expansion of existing services. Last two items taken from surplus given by nonrecurrent revenue.

As already pointed out main provincial revenue sources are various government departmental revenues, gasoline tax and motor vehicle and driver licenses.

Federal grant revenue consists of $6.5 millions transitional grant, $6.3 millions estimated tax agreement payments, should Newfoundland decide to rent personal income, corporation and inheritance tax fields to federal government, $1.5 millions subsidies (annual subsidy of $180,000 plus 80c. per head of population, and an additional subsidy of $1.1 millions as payable to Maritime Provinces), and remainder consists of small, sundry payments.

Nonrecurrent revenues of $17 millions give Newfoundland $9,006,000 in personal income taxes payable on 1948 income. (Before union Newfoundlanders paid their income taxes in lump sum at fiscal year end instead of pay-as-you-go).

Then there is $7,906,500 from federal government, being an amount made up of return of monies paid by Newfoundland for new coastal steamers now taken over by CNR, and monies paid to Canada by Newfoundland in respect to certain equipment at Gander airport, which was returnable on union, and one or two smaller items. All of these are repayable during the first year of union.

From these figures it will be seen that current revenue of Newfoundland as a province is $21.4 millions for this year, against a current expenditure of $21.1 millions, just enough to carry on business of government.

It is also shown that at least three quarters of Newfoundland's revenue during early years of union comes from federal grants and subsidies, not the least of which is transitional grant of $6.5 millions. This grant was given expressly to facilitate adjustment of Newfoundland as a province of Canada and for development of revenue producing services. They are for $6.5 millions during the first three years of union, thereafter decreasing gradually to $350,000 in the 12th and final year.

As this transitional grant decreases, it is expected that new revenue from provincial sources will be developed to take its place.

What New Revenue Sources?

Here's where Newfoundland's future planning of budgets strikes the strait-jacket of the past. In previous years, there has been a stranglehold on island finances through limited sources of revenue, few developed natural resources, and need for improved services. All three factors still remain.

Just meeting current expenditure is not enough in this province. Government must set aside large sums for improvement of present services. There is crying need for more schools, higher pay for teachers, more roads and medical services. Other needs are not quite so urgent and can afford to wait — but not too long.

Then there is a lack of known working natural resources. Outside of fish, forests and iron ore, the island has little else to support diversified manufacturing industry. This means that government must earmark some revenue to improve present industry and hunt out still hidden resources.

Because of limitation placed on island's revenue in the past by these factors, question of balanced budgets has beset Newfoundland from the first settlers, and it was due to constantly recurring deficits that the Newfoundland Government of 1933 voluntarily turned reins of government to the United Kingdom. In setting up the now defunct Commission system, Great Britain guaranteed to underwrite Newfoundland's deficits, if and when they should occur.

Underwriting of deficits had to be done right from the beginning of commission to the war boom which hit Newfoundland in 1940-41, when first surplus for 11 years was realized. Surpluses then continued through the war and after as Newfoundland rode the crest of a wave of prosperity, until there was a surplus account of some $30 millions, of which $7.2 millions was interest-free loan to Britain.

The Jobs They Work At

Gainfully Occupied, 14 Years of Age and Over, by Occupation Groups and Sex, 1945

(Source: Newfoundland Census.)

Occupation	Total		Male		Female	
	No.	%	No.	%	No.	%
All occupations	112,508	100.0	96,000	100.0	16,508	100.0
Proprietary and managerial ...	4,105	3.6	3,457	3.6	648	3.9
Professional	4,999	4.4	2,270	2.4	2,729	16.5
Clerical	4,824	4.3	2,572	2.7	2,252	13.7
Agricultural	4,221	3.8	4,198	4.4	23	0.1
Fishing, hunting and trapping	31,198	27.7	31,196	32.5	2	....
Logging	7,264	6.5	7,262	7.6	2	...
Mining and quarrying	2,001	1.8	2,001	2.1	....	....
Manufacturing and mechanical	7,220	6.4	6,238	6.5	982	6.0
Electric Light and power production and stationary enginemen	1,026	0.9	1,026	1.1	....	....
Construction	6,465	5.7	6,465	6.7	....	....
Transportation	7,641	6.8	7,628	7.9	13	0.1
Communication	857	0.8	600	0.6	257	1.6
Commercial	3,806	3.4	1,680	1.7	2,126	12.9
Financial	96	0.1	94	0.1	2	....
Service (1)	13,244	11.8	6,292	6.6	6,952	42.1
Laborers (not in agricultural, fishing, logging or mining)	8,678	7.7	8,592	8.9	86	0.5
Not stated	4,863	4.3	4,429	4.6	434	2.6

(1) Exclusive of professional service.

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COMPANY REPORTS

LORD NELSON HOTEL CO. 1948 operations resulted in a net loss of $530 as compared with a net loss of $20,133 for 1947. Operating revenue was $636,701 ($526,049). Some $31,138 was spent on repairs and maintenance. Food costs and civic taxes remain at a high level.

INCOME ACCOUNT

Years Ended Dec. 31:	1948	1947
Net earnings	$55,581	$31,739
Less: Interest	24,000	24,000
Deprec.	32,111	27,872
Net loss & def. for yr.	530	20,133

BALANCE SHEET

As at Dec. 31:—	1948	1947
Cash & govt. bonds	$96,971	$102,695
Accts. rec.	9,087	10,592
Inventories	42,566	39,048
Total curr. assets	148,624	152,335
Misc. assets*	12,544	12,740
Deferred chgs.*	2,971	534
Fixed assets*	775,615	757,294
Total assets	939,754	922,903
Total curr. liabs.	50,893	47,252
Funded debt	841,500	841,500
Capital stock	645,140	645,140
Deficit*	597,779	610,969
*Incl. ref. EPT	3,547	3,547
*Included in curr. assets in co's report.		
*After depreciation.		
Working capital	97,731	105,083

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About 366 years ago Sir Humphrey Gilbert landed on King's Beach and claimed Newfoundland for the British Crown.

But 75 years before that, a well-worn "lower path" meandered for two miles from Wood's Cove in the east to the Crossroads in the west. This "lower path" later became St. John's famous Water Street, which has been termed the "dowager street" of North America.

Today, St. John's proper is a thriving city of about 45,000 with the population of Greater St. John's about 57,500. While here and there traces of the 20th century are apparent, the city and Water Street in particular retain the aspect and atmosphere showing its ancient and British ancestry.

Water Street is the Pall Mall, St. James Street, Wall Street and Rue de la Paix of Newfoundland. Motorists grumble about the cobblestones but horses pulling the "long carts" find them to their liking. Capital of the province, St. John's holds about the same position in the 10th province as Quebec City does in Quebec. A blending of the old and new worlds makes the city an ideal spot for the tourist and sightseer.

Effects of War Boom

Up front in the North Atlantic firing line in World War II, St. John's became one of the busiest of the east coast ports. The Canadian Government constructed piers, maintenance and administrative buildings on British Admiralty contract. Some of these buildings are now occupied by government and business offices.

On the south side, where many old business houses had coal storage, fish curing sheds, there is now a mile-long pier embracing more than half a dozen business establishments.

At the eastern end of the harbor, where part of the city's cod fishermen lived, U. S. Government built elaborate docking facilities, erected a large warehouse and pier.

As it did in many another Canadian city, the heavy influx of workers into St. John's created a housing shortage. The population of the city jumped by 10,000 in 10 years. The building boom which followed the war has broken all records. In 1939 the St. John's municipal council recorded the value of buildings erected as $395,970. Since the war this figure has risen to around the $3 millions mark.

Part of the sharp rise in building contracts has been due to the activity of St. John's Housing Corp. This non-profit municipal organization, which received financial assistance from the city and Newfoundland Government, has constructed upwards of 240 dwellings, of which eight are five-unit apartments and two 26-unit buildings. A number of modern commercial buildings have also been constructed.

Transportation Centre

St. John's is connected with the mainland and foreign points by air, sea and rail communications. Newfoundland Railway, now operated by Canadian National, connects St. John's with various parts of the island and the main line runs from St. John's to Port-Aux-Basques. A ferry service connects this port with North Sydney.

Canadian steamship companies maintain freight and passenger services between various Canadian points and St. John's. A number of small locally-owned vessels engage in the carrying trade along the coast and also between Newfoundland and points on the mainland. St. John's port is open the year-round. The Newfoundland dry dock at St. John's is operated by the railway.

Newfoundland has approximately 2,000 miles of motor roads, nearly half of them in the St. John's area. Road construction has aimed primarily at connecting the more isolated districts with St. John's. Various sections, however, will eventually be linked up to form a transinsular highway running from St. John's to Port-Aux-Basques.

By air, St. John's is served by Trans-Canada Air Lines which has an eastern terminus at Torbay, just outside the city.

St. John's is linked to the world by radio telephone and the Avalon Telephone Co. has recently installed dial service in the city. Telegraph and submarine connection are maintained by three companies. Two electric companies supply power from hydro-electric developments and supply is said ample to handle additional demands. A gas-producing company supplies a limited volume of coal gas for domestic and industrial use.

Has Secondary Industries

Apart from the production of pulp and paper and the fish processing industries, most of Newfoundland's secondary manufactures are largely confined to St. John's. Some of the more important of these include: lines and twine; paint; bakeries; butterine; wood-working; foundries and marine engine builders; boots and shoes; mattresses; clothing; tobacco; nails and hardware; steel boat building; luggage; furniture; concrete products; brooms; cans.

As the largest city and capital, Newfoundlanders have long looked to St. John's to provide the leadership in matters affecting the economic and industrial development of the island. The Newfoundland Board of Trade is one of the organizations which has actively promoted economic advances. During the administration of Commission of Government, the board acted as active liaison between business and government. Many of the proposals put forward by the board, particularly with regard to fisheries matters, have been adopted. President of the Board is Lewis M. Ayre, prominent St. John's businessman.

More recently, a Newfoundland unit of the Junior Chamber of Commerce of Canada was organized in St. John's, with P.D. Bowring its first president.

Another important body is the Newfoundland Industrial Development Board headed by H. J. Russell, Jr., director and L. J. Harnum, secretary. This board was set up to provide a bureau of information on industrial, commercial and economic affairs, and to assist and encourage industrial commercial and economic developments. In the seven years it has been functioning, the board has investigated scores of industrial possibilities and has actively assisted in the establishment of a number of industries.

Religious Population

Population by Principal Religious Denominations, 1945. (Source Newfoundland Census)

	Number	%
Roman Catholic	106,006	32.9
Church of Eng.	100,878	31.4
United Church	80,094	24.9
Salvation Army	22,571	7.0
Pentecostal	7,558	2.3
Congregational and Presbyterian	1,548	0.5
Other	3,164	1.0
Total	321,819	100.0

Newfoundland Studies Industrial Development

Results of surveys of industrial possibilities in Newfoundland were made known recently in a report by Newfoundland Development Board's Director H. J. Russell and Secretary-Treasurer L. J. Harnum. Here's a digest of their report:

BOX PRODUCTION

One of the first investigations undertaken was that of box production. This was brought about by the fact that some of our codfish markets were demanding boxed fish instead of casked fish. It was also noted that the cost of boxes, casks and barrels manufactured in Newfoundland was much greater than in other exporting countries, which made it very difficult for Newfoundland to meet price competition.

With the assistance of Hugh Cole, personal contact was made with the manufacturers of boxes in Nova Scotia and New Brunswick, their methods of production studied, and the basic causes of the difference in costs uncovered. A report of this investigation was compiled and distributed to interested parties.

BIRCH AREAS

Our birch areas were next in line for study. From local information received it was believed that the birch areas in central Newfoundland offered splendid possibilities for a large-scale operation. Definite assurance was received that a certain local company, as well as foreign interests, were interested in this development, but before taking any action they desired more accurate information than the Board possessed, regarding quality as well as quantity.

So that there would be no chance of misinformation, the Board brought in from Canada one of the best hardwood foresters obtainable. This party spent over a month up country during the spring of the year and covered practically all the area in question.

On his return he reported that our figure of 70 million feet of birch was fairly right, but unfortunately he found that upwards of 70% of the trees were defective, thus leaving less than 20 million feet merchantable timber. This was a great disappointment to the Board and excluded all hopes of any large operation in that area. The chief lesson learned from this survey was that birch should be cut immediately after pulpwood is cut as it has a tendency to deteriorate very quickly when the spruce and fir protection is taken away.

SEAWEEDS

The third survey was of our seaweeds. For a number of years we had been endeavoring to get some competent person to conduct such a survey but it was not until this year that one was available. Dr. H. J. Humm of Duke University, North Carolina, surveyed the coastline from the Burin Peninsula to Notre Dame Bay, and gave us a detailed report of all the areas. The summary of his findings is:

"It is believed that Irish moss occurs in Newfoundland in sufficient quantity to keep a factory in operation the year around.

"The really important seaweed resources of Newfoundland are the brown algae, especially the kelps and rockweeds, from which algin and other products can be made.

"The principal resources of Irish moss seen on this survey are in Colinet Harbor, Placentia Sound, Ship Harbor (Placentia Bay), Sound Island, Marystown, Trepassey Bay, and Gander Bay.

"The growth of Irish moss seen on this survey appears to be related to the presence of a small amount of fresh water which brings with it nutrient salts leached from the land."

LABRADORITE JEWELRY

An attraction for tourists visiting this country is Labradorite jewelry. For years Labradorite was sent out of the country to be cut and polished and brought back for sale. Believing this to be unnecessary, the Board endeavored to find local talent to take on the job of preparing stones, and that we were successful is amply borne out by the wonderful array of Labradorite articles exhibited at the last handicraft display. We now feel quite sure that the cutting and polishing of this unique stone has substantial possibilities as a local industry.

The acetylene plant which the Board had sponsored came into operation this year and is doing splendid work. Besides looking after industrial requirements it is supplying all the needs of the Lighthouse Department. The benefit to local industry of having acetylene gas, as well as oxygen, locally manufactured and thus readily available cannot be too highly stressed. The recurring shortage by delays in importations in the past has often held up industry which uses this product.

CATTLE FEED PLANT

In conjunction with a well-established firm we gave some study to the necessity and practicability of the establishment of a cattle feed mixing plant and this has definite possibilities in the near future.

The use of insecticides has grown tremendously in the past two or three years and will continue to expand as farmers learn their value in the control of agricultural pests. We believe the time has come now when the mixing of insecticides should be undertaken locally, and to this end we have accumulated sufficient data to assist any interested party in making a study of this potential industry.

Newfoundland has in its talc a perfect blender for agricultural insecticides and the Board has received definite promise of technical assistance in the establishment of a mixing plant, should it be undertaken by some responsible party.

The Board gave assistance to the establishment of a new woodworking industry at Heart's Content. The company concerned has rented the old A.N.D. paper shed from the railway and has equipped it throughout with modern electric machinery. This industry, though small at present, will undoubtedly grow and become a source of much employment to the people of this area.

COMPANY REPORTS

CANADA VARNISH CO. 1948 net profit, $141,111, was 12.5% above 1947's $125,384. Sales were higher in 1948 but increased operating costs resulted in a decline of 1.3% in net earnings before income taxes and depreciation.

Outlook for 1949 is not clear since effects of a change-over from a sellers' to a buyers' market are beginning to be felt, President R. E. Edwards states. Pre-Spring business remained at a high level, but a tendency toward hand-to-mouth buying by dealers has developed since the recent drop in price of linseed oil and metals. During the process of readjustment and stabilization of material costs, the company's inventories will be reduced and purchases kept to a minimum Mr. Edwards states.

Some hesitation is anticipated in the immediate future while prices readjust themselves, but the broader outlook for the current year is regarded as favorable in view of the large amount of building still needed and the continuing high level of manufacturing.

INCOME ACCOUNT

Years Ended Dec. 31:	1948	1947
Net earnings	$242,432	$245,597
Less: Deprec.	19,116	19,159
Income taxes	82,280	101,494
Add: Asset profit	75	440
Net profit	141,111	125,384
Less: Pref. divds.	20,000	5,000
Com. divds.	37,500	50,000
Surplus for year	83,611	70,384
Earnings per Share and Dividend Record:		
Preferred	$8.82	$7.84
Paid	1.25	0.31¼
Common	1.21	1.05
Paid	0.37½	....
Old common: Paid	....	200.00

CONDENSED BALANCE SHEET

As at Dec. 31:	1948	1947
Cash	$192,652	$303,529
Mkt. secs.	21,818	10,418
Accts. rec.	60,212	73,861
Inventory	467,250	303,056
Total curr. assets	741,932	690,864
Misc. assets*	20,723	20,429
Fixed assets	275,313	262,917
Total assets	1,037,968	974,210
Accts., tax., etc., pay.	132,046	167,539
Containers reserve	500	500
Total curr. liabs.	132,546	168,039
Deprec. reserve	167,815	148,894
Capital stock	425,000	425,000
Earned surplus*	312,607	232,277
*Incl. ref. EPT	10,410	11,552
*Incl. ref. EPT	9,265	11,552
Working capital	609,386	522,825

RSC
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Investment Service in Newfoundland

The St. John's office of Royal Securities has been serving investors in Newfoundland for more than a quarter of a century. Securities distributed during that time include Government of Newfoundland Bonds and issues of well-known public utility and industrial companies operating in the Island.

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STELCO
is interested in Newfoundland

The Steel Company of Canada, Ltd., a Canadian-owned primary producer of steel and a manufacturer of steel mill products, is interested in rendering every possible assistance to the business interests of Newfoundland.

It will be our constant endeavour to extend the utmost cooperation, where the needs of Newfoundland are concerned, through

J. C. PRATT COMPANY, LIMITED
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our resident Sales Representative for the past 20 years.

The complete service of our entire organization, including the advice and services of its metallurgists, are offered without obligation.

The following principal products are typical of those manufactured under the trade name "Stelco" — the symbol of dependable steel quality:

Pig Iron
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Heavy Plate
Black Sheets
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Track Fastenings
Drop Forgings
Bolts & Nuts
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Pole Line Hardware
Pipe
Fence
Welding Rods
Wire &
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Screws
Cotter Pins
Turnbuckles
Farrier Products
White Lead
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Lead Shot

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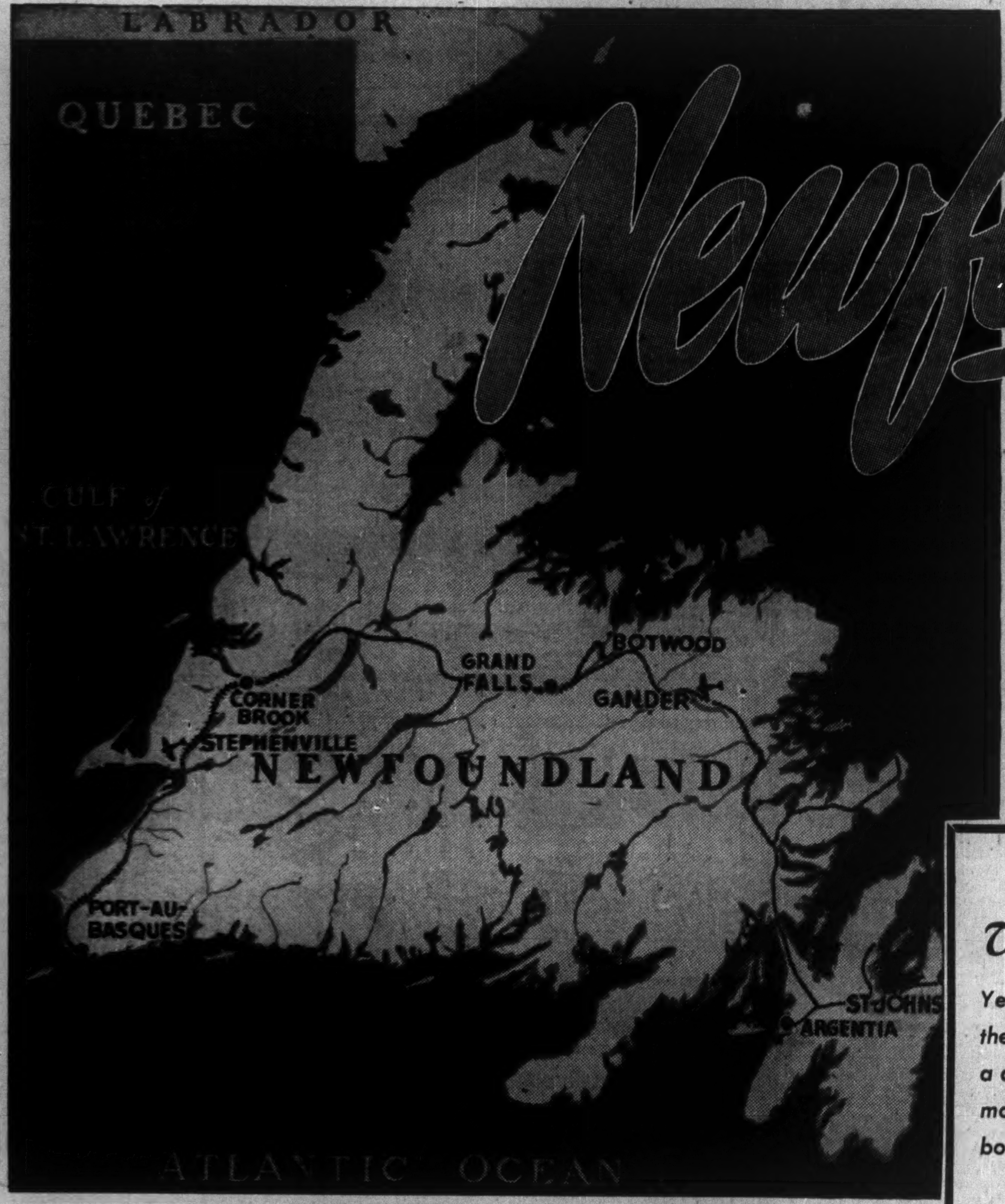


NEWFOUNDLAND - LABRADOR is the land of opportunity today for greater returns tomorrow. An investment in the Newfoundland-Labrador area is an investment in "futures." What futures? Yours . . . here are a few:

Your health Newfoundland, sea-girt with its tremendous scenery, its water-washed air, is rapidly becoming one of the continent's important vacation lands. Whether you like boating, fishing, hunting or just lazing around in the sun the Old Colony will pay you big dividends in rest and relaxation—two important ingredients for health in today's hurly - burly, rush and bustle.

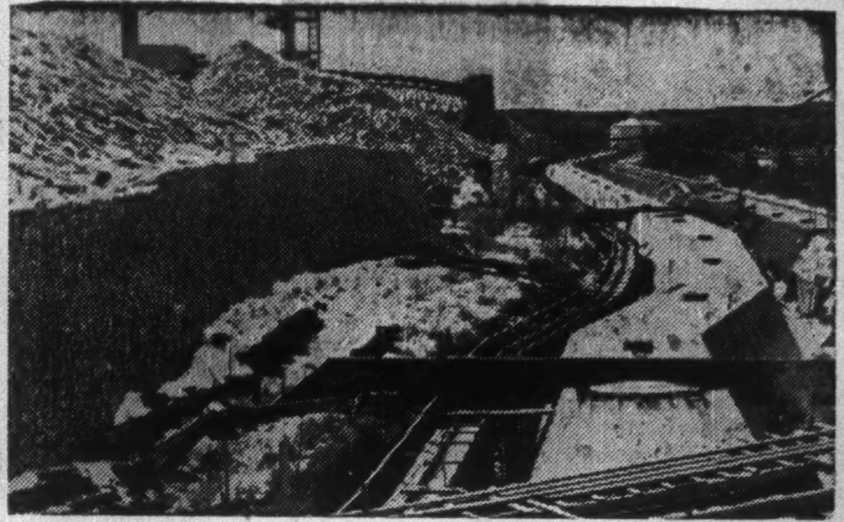
Your wealth Newfoundland-Labrador offers vast opportunity to the enterprising industrialist. Labrador's forest, iron and water-power resources are a fabulous challenge to the person with vision and faith in the future.

On the Island itself a power development program provides ample power for new industries. Island roads extended and improved will handle the ever-increasing traffic. Gander Airport has made Newfoundland one of the world's important air centres. And most important is the Newfoundland worker—stable, adaptable, bred in the British tradition of a fair day's work for a fair day's pay.

Your happiness Yes! whether you come to Newfoundland to play, to work or to see you will be much, much happier, because Newfoundland-Labrador is Today's Land of Opportunity!

Traveland . . .

Yes! Newfoundland-Labrador presents the finest, the very best opportunity for travel, vacationing—a down-right good holiday. Every year more and more holidayers, visitors, come by plane, train and boat to fish, hunt and play in this holiday-land.



Industrialand . . .

Again yes! Newfoundland's pulp and paper industry is benefitting from the world-wide newsprint shortage. Pulp and paper companies are expanding production facilities. A comprehensive program of electric power development means ample power for new and growing industries. Water, rail and air services feed into the important mainland markets.

Mineraland . . .

"Fabulous" is the word mining men use when talking about Labrador's iron deposits. And iron ore, basis of world recovery, is mined daily at Bell Island. Mining companies today are exploring, digging still deeper into Newfoundland-Labrador mineral wealth.

Land of the fisheries . . .

Newfoundland fisheries are equipped to compete in world markets. New methods, mechanization, quality control, have created a demand for the Island's fisheries' products around the world. This means higher incomes, more jobs for Newfoundland workers; a solid base for prosperity.

Learn More about Newfoundland... *on the Spot*

or write for information to

NEWFOUNDLAND GOVERNMENT OFFICES - ST. JOHN'S, NEWFOUNDLAND